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Friday October 3 1997

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INTERNATIONAL

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Sport97

Lennox Lewis and the big gamble
Plus: Chelsea return to Europe



Racing
A shot at the Arc
Page 10



Martin Walker in Amsterdam
Sniffy about Europe
This section, page 13

'Pay to see GP' crisis looms

David Brindle, Social Services Correspondent

LEADERS of Britain's 115,000 doctors will next week table a range of options for finding more cash for the health service without putting up income tax, including the introduction of a £10 fee for seeing the GP.

The options will also include charging hospital patients for their bed and food, creating an NHS tax, and offering incentives to encourage people to take out private medical insurance.

The move by the British Medical Association was fore-shadowed yesterday as its leaders warned that hospitals were already slipping into a winter crisis. At least one hospital trust had stopped treating all non-urgent patients, except those of some GP fundholders.

Sandy Macara, the association's chairman, said: "The crisis is upon us. New Labour, old problems - except the old problems are more severe than they have ever been before."

The BMA is stressing it does not support the introduction of new charges for health care. It argues that funding from general taxation remains the best and most equitable way of sustaining the NHS and injecting the extra cash it needs.

However, the association says it has a duty to consider other options because of the grim prospects for the service and the Government's opposition to raising income tax.

Dr Macara said: "Our policy is that we are against charges because they put off the people in most need of help. But we do have to consider the unthinkable in what is clearly a crisis situation."

The BMA's initiative reflects a drift of opinion on the principle of charging for health care. Frank Dobson, the Health Secretary, admitted in June that his department's spending review was looking at new charges, though he insisted nothing would contravene Labour's manifesto pledge that access to care would remain based on "need and need alone - not on your ability to pay".

A recent survey by the Henley Centre research group found that 27 per cent of people were prepared to pay to visit the GP, suggesting an average £9 charge. Forty-eight per cent would pay for night visits by a doctor at a suggested average £13.

A walk-in private GP service at Victoria station in London, which charges £32 a visit, has proved so popular that the company behind it is planning 23 more outlets.

The BMA, which says the health service needs a £5 billion cash boost over five years, overwhelmingly rejected the idea of charges at its annual meeting this summer. But at an earlier conference of GPs only, one in three supported the proposal after hearing that a £10 consultation fee, with exemptions for the poor, could raise £500 million a year.

Dr Macara said next week's report on funding options was aimed at helping ministers who had "painted themselves into a ridiculous corner" by declaring that Labour would not raise income tax.

Reports yesterday suggested Mr Dobson was fighting the Treasury for an extra £250 million for the health service this winter, to ease anticipated problems in casualty departments and prevent hospital waiting lists soaring.

A Department of Health spokesman described the reports as "speculation" and denied there was evidence a winter crisis had begun.

However, the Kent and Canterbury Hospitals trust admitted it had stopped treating non-urgent patients funded by the local health authority. A spokeswoman said: "It's happening all round the country."

Clare fights them on the beaches



Clare Short yesterday took one of the more dangerous steps of her political career on Brighton beach by donning body armour similar to that worn by Princess Diana in Angola to publicise the threat of landmines. "The beautiful thing she did was to take the issue to people who hadn't heard about it," said the International Development Minister. Report, page 7. PHOTOGRAPH BY NAVEEN

Police CS spray victim unlawfully killed

Urgent review sought by coroner after asylum seeker asphyxiated

Owen Bowcott, Sebastian Naidoo and Duncan Campbell

POLICE use of CS sprays should be urgently reviewed, a coroner said yesterday, after a verdict of unlawful killing on a Gambian footballer who was asphyxiated face down in an east London police station.

The recommendation came at the end of a 4½-week inquest into Ibrahim Sey, whose death in police custody is likely to heighten concerns about police restraint techniques and the treatment of black suspects. Yesterday's decision was the third time in the past two years in which Metropolitan Police officers have been involved in an unlawful killing.

Mr Sey, aged 29 and an asylum seeker, died in March last year just two weeks after the force began testing incapacitant sprays. The call by the coroner, Dr Harold Price, for all police forces to review their use of CS solvent will increase pressure on the Home Office to reconsider the issue.

Officers were called to Mr Sey's home in Forest Gate, east London, on March 16 after his wife, Amie, dialled 999 from a phone box. She said that he had leapt naked from a second floor window to escape her husband who had locked her in a toilet and told her to eat frozen hamburgers.

When they arrived, he was escorted into a van and a close friend, Pa Ndimbalan, was allowed to accompany them to Ilford police station. In the station yard Mr Ndimbalan was prevented from entering the custody area.

Mr Sey - who had briefly been a police officer in Cambodia and played for the country's Under 25 squad - was cooperative until they were parted. Then he began to struggle, Mr Ndimbalan said, and called out: "See what they are doing to me". Police officers claimed Mr Sey became violent, twisting and turning to shake them off.

"Officers were being lifted and flung, Sey seemed to be winning the battle and I felt at risk," WPC Claire Phillips told the inquest at Snaresbrook crown court. An officer



Ibrahim Sey... died in police station

grabbed him from behind in a bear hug, he was brought down and handcuffed with his arms behind his back.

Three times they tried to raise him to his feet. He was said to be going through spasms when he struggled then going limp. Another WPC, Jackie Cannon, asked twice whether she should use CS spray but was told not to; on the third occasion she said she would use her canister and did.

"He was drinking and sucking it in and it appeared not to have an effect," she told the court. He was carried face down into a custody suite and placed on the floor. He was searched while being held on the floor.

At that point he appeared to relax and did not respond. An ambulance was called but when it arrived several minutes later, the paramedics found him still handcuffed in the prone position. He was dead on arrival at hospital.

Yesterday's hearing was the latest in a series of police custody deaths associated with "positional asphyxia" where suspects were handcuffed with their arms behind their back. Inquest, the organisation which supports the relatives of victims, said: "What possible justification can there be for the use of CS spray on a terrified mentally ill man, handcuffed and already under a form of restraint acknowledged by all to be potentially fatal."

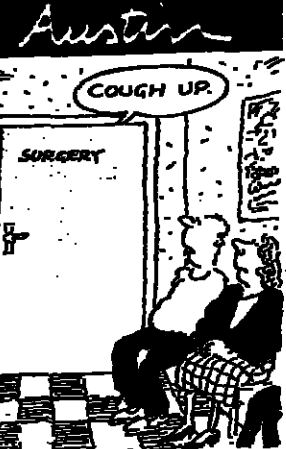
The then Home Secretary Michael Howard approved the use of CS spray nationally last year but two police forces declined to deploy them because of concerns over safety.

CS is intended to be used for violent or life-threatening incidents, not merely to facilitate arrests. Chief police officers' guidelines on CS inca-

prudent specify that "prisoners must not be left... in a prone, face-down position. The suspect should be carefully monitored... until the effects of CS have worn off."

Dr Price, the coroner, also said he would write to chief constables to warn them about "grave public concerns" about methods of

restraint and to ask them to remind officers about the dangers of positional asphyxia. Next week an inquest opens into the death of another young black man, Peter San Pedro, who died after being sprayed with CS solvent and walked into the path of a lorry after being released from a police station in Kent.



US plan to zap satellite with laser criticised as echo of cold war tactics

Ed Vulliamy in Washington

THE United States will in the next few days embark on one of the most controversial military exercises since the end of the cold war, when it fires a laser weapon into space to disable an orbiting air force satellite and neutralise its infra-red sensor system.

The news prompted criticism from arms control

groups in Washington DC, who described the test as a worrying shift in emphasis echoing the days of research into "Star Wars" technology.

Some groups believe that firing the MIRACL laser (mid-range advance chemical laser) breaches the anti-ballistic missile treaty and other arms control accords.

The test will be the most dramatic demonstration of a weapon born of President Reagan's Star Wars programme since it was abandoned with the fall of the Berlin Wall.

The MIRACL was developed in the mid-1980s to show that navy ships could use lasers to defend themselves against missile attack. It is now housed at the White Sands air force base in the New Mexico desert.

At its core is a chamber which burns ethylene fuel which, with an oxidiser, gives off excited fluorine atoms. As

the atoms cool, they release light that can be sent through a telescope to obliterate targets far away in space.

A spokesman for the defence secretary, William Cohen, said the experiment was "fully consistent with US policy and US and international law". The laser will fire two quick bursts at the satellite.

A Pentagon spokesman, Lt-Col Bob Potter, said the experiment was not a descendant of the Star Wars

programme, but merely an opportunity to test the vulnerability of US satellites. This, he said, was "especially important, since the US, like many of its allies, is more and more dependent on satellite-based systems", as shown in the Gulf war.

But arms control experts were wary. Such tests were banned until two years ago, and the whole issue of laser weapons is closely entwined with the idea of defensive

screens in space and the doctrine of the "winability" of nuclear war.

Nicholas Butler, of the British-American Security Information Council, said: "Once any country is suddenly prepared to start shooting satellites out of the sky, it sends out worrying signals and invites others to try and catch up. In a way, the Americans have the most to lose, because they are the most dependent on satellites."

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Britain

... new controls on the use of the British Overseas Airways Corporation after two years of criticism.

World News

A veteran Palestinian official resigned in protest at Yasser Arafat's dictatorship and handling of peace talks with Israel.

Analysis

As the number of high-tech British grows, so does the number of near-misses. Just how safe are our skies?

Finance

Most European companies are appallingly badly prepared for the advent of the single currency, it was claimed by Brussels.

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Building a relationship based on trust

Editor ALAN RUSBRIDGER announces the appointment of a new ombudsman as part of a radical plan to strengthen the paper's relationship with its readers

ALL NEWSPAPERS make mistakes. Some make more than others. Some are more than others. What marks one newspaper from another is its willingness to own up to its mistakes.

The attitude of most British newspapers is well-captured by the assistant editor of the *Bystander*, a fictitious provincial paper in press by David Hare and Howard Brenton. The journalist's speech — in response to a mild request for a correction — is worth quoting at some length:

"Look I'll be frank ... it isn't very easy. You will find on most newspapers a policy, you see. The *Bystander* ... we

... don't publish corrections. Because we don't like them. I'll be honest. They just don't look good on the page.

"If every time we got something wrong we published a correction, then a newspaper would just be a footnote to yesterday's newspaper and yesterday's newspaper a footnote to the day before's. In fact, going further, now thinking about it, as I see it, look ... a newspaper isn't just a scrap of paper, it's something that people feel they have to trust. And if they can't trust it, why should they read it?"

"A thing either is true or it isn't. So, by definition, what is printed must be true — otherwise why print it? And if we apologise and correct, how can the readers know what is true

and what is not? So, you see why I can't print your correction. It's really a matter — finally — of journalistic ethics."

The speech is, of course, satire; but it skates uncomfortably close to the attitude of many journalists. Parity, this is the understandable human reluctance to own up to error which is pretty universal: lawyers, politicians, sportsmen, plumbers, bankers, historians, you name them. But partly it stems from our senseless libel laws, which can turn an admission of error into a six figure payout. It is the same instinct which causes drivers to stay silent after an accident and which, in an increasingly litigious society, forces doctors to retain notes when all that is sought is a simple explanation or word of sympathy.

Any daily newspaper which does not carry frequent clarifications and corrections is a dishonest newspaper. An average weekday edition of the *Guardian* contains more than



32,000 words. On Saturday we produce a package of well over 120,000 words. Reporters and editors work at great speed and, sometimes, in difficult conditions. Errors happen.

Newspapers fool ourselves and our readers if we pretend that what we are producing each night is the definitive truth which will stand for 100 years. We are not. On the *Guardian* we are collection of honest journalists who do

our best to bring you the most accurate account we can of events around the world at the moment of deadline. Most of the time we do pretty well. Sometimes we fail, through our own fault or through the fault of the various agencies and mechanisms which are intended to conceal, obfuscate or mislead. When we fail we should come back the next day and tell you so.

The most confident and

honest papers are the ones that have the best mechanisms for doing that. The *New York Times* — which is one of the best resourced and best edited papers in the world — carries more corrections than any paper I have read. The *Irish Times* — another fine and serious paper — has a regular, fixed column devoted to corrections. And so, from next week, will we.

But we are going to go further. We are setting up a unique two-tier system for handling readers' inquiries and complaints. The first tier will be a staff journalist whose sole function will be to deal with the readers and mediate their complaints, small or large. His/her job will be to explain particular facts or frustrations to reporters and editors and to make sure that, where appropriate, errors are corrected promptly. He/she will also write regularly in the paper about issues raised by readers.

The second tier is the appointment of an independent

ombudsman to deal with substantial complaints or matters where the paper's integrity is called into question. The *Guardian* led the way in Britain by appointing an ombudsman in 1990. In the past our ombudsmen have been former senior members of staff. The next ombudsman, whose appointment we announce today, has no connection with the paper, though he has written for it and will, we hope, continue to do so.

He is John Willis, until recently the director of programmes at Channel 4. As well as making a number of award-winning investigative films he has also been at the cutting edge of broadcasting regulatory issues. While at Channel 4 he was responsible for — and frequently appeared on — *Right to Reply* and recently started another programme, *Nightwatch*, which gave viewers the opportunity to voice their concerns.

When approached about this role, he spoke of how he understood the instinctive

unwillingness of many journalists to admit to error. "When I was making documentaries I always felt defensive about apologising. But as time's gone on I've realised that when a broadcaster or newspaper gets something wrong they should put their hands up."

I hope the *Guardian's* new two-tier model — further details of which will follow — may become a model of good practice in the newspaper industry. It certainly needs to do something to address an increasing public cynicism which shows up in all surveys: a recent Mori poll showed that 76 per cent of people did not trust journalists to tell the truth. Only politicians (78 per cent) scored worse. If we, as journalists, are not shocked by that figure we should be.

I hope this new system works for you, as readers, as well as for us. As the assistant editor of the *Bystander* said: "If you can't trust it, why should you read it?"

Straw acts to stamp out racist crimes

Alan Travis
Home Affairs Editor

JUDGES will be given the power to pass heavier sentences for any crime which has a racial element under detailed proposals unveiled yesterday by Jack Straw, the Home Secretary.

His announcement goes further than the Government's manifesto commitment to give judges the power to add up to two years in prison to the sentences of those convicted of racially motivated violence or harassment.

Mr Straw said the wider powers were needed because racist crimes, such as the killing of south London teenager Stephen Lawrence, were among the most despicable offences.

"Those who commit racist crimes should expect severe punishment. Where there is a racist element then conviction should always attract a higher and more severe penalty," he said.

Details of the new offences, published in a Home Office consultation document yesterday, indicate that the Crime and Disorder Bill will contain these wider powers.

It says the courts should treat a racial element as an aggravating factor in sentencing and judges must state how they have taken it into account. Longer sentences will be imposed for crimes including burglary if the prosecution can demonstrate there was a racist motive.

The Home Office says the number of racial incidents reported to the police has risen from 4,383 in 1988 when separate statistics were first collected, to 12,222 in the year to March 1996.

A study by the Crown Prosecution Service shows that in only 20 per cent of convictions for racially-motivated crimes do the courts impose a heavier sentence.

The Home Office consultation paper acknowledges that it is difficult for prosecutors to prove that a specific assault was racially motivated.

Instead Mr Straw proposes that the prosecution will be asked to pass "a much more realistic test" and show that the "offenders demonstrated racial hostility at or around the time of the basic offence,



Jack Straw yesterday outlined a 'zero tolerance' strategy for racist crimes and domestic violence. PHOTOGRAPH: PAUL HACKETT

or that a motivation for committing that offence was racial hostility."

This lesser standard of proof may include wearing British National Party insignia or shouting racial abuse at the time of the incident.

Mr Straw also announced plans to encourage magistrates to allow victims into youth courts so that teenage offenders can be confronted with the human consequences of their crime.

He told the Labour confer-

ence he would change the way in which the youth courts operated: "They have become a Secret Garden — the names of offenders never published, the press hamstrung to report anything at all, even the victim excluded — not allowed into court, except as a witness."

"This system should be there to work for the victim and the public. We must afford much more dignity to the victims of crime, and give them a chance to see justice

dispensed on their behalf."

A much more fundamental shake-up of the youth courts system will be announced in the next few weeks.

Mr Straw's promise to ensure that Labour remained the party of law and order was warmly received by delegates. He said his "zero tolerance" strategy included domestic violence as well as crime and disorder on the streets.

Before he spoke the conference was addressed by two women from an estate in Not-

tinghamshire which had been terrorised by the children of a problem family until, they said, Mr Straw paid a visit. Carol Walton, aged 39, and Beverley McNulty, aged 38, said on one occasion a 10-year-old had threatened them with a hatchet. After Mr Straw visited the estate, social services and the police took action to evict the problem family.

Labour in Brighton, page 7; Leader comment, page 12

The victims

STEPHEN LAWRENCE

STEPHEN Lawrence, 18, was stabbed to death at a bus stop in Eltham, south London, in April 1993.

Five white youths were acquitted after an unprecedented private prosecution by his family collapsed when the evidence of a key witness was ruled inadmissible.

More than any other racial attack this murder prodded the national conscience. The five youths refused to answer

questions at the inquest which found Stephen had been unlawfully killed.

The Crown Prosecution Service decided not to bring charges amid allegations of intimidation of witnesses.

The Lawrence family was supported by a variety of the Press including the *Daily Mail* which ran the pictures of the five young men across its front page. It has not been sued by any of them.



ALI IBRAHIM

ALI Ibrahim, a student who had fled the civil war in Sudan, was attacked by a man shouting abuse who then stabbed him through the heart in Brighton, in autumn 1993.

A woman who was walking with her boyfriend when he picked a fight with Mr Ibrahim and two other Sudanese students told police that, as the dispute spilled into an alleyway,

her boyfriend pulled out a knife and plunged it into the heart of Mr Ibrahim, who collapsed and died.

The two other students said there had been no racial insults and they did not know why it had begun.

Mr Ibrahim was seeking political asylum in Britain. He had been granted special leave to stay and had been working in a restaurant.



QUDDUS ALI

QUDDUS Ali, 17, was beaten up by eight white men and a white woman in Stepney, east London, in 1993. His "crime" was to be an Asian in the wrong place at the wrong time.

Quddus, who was ambushed with three Bengali friends, was left brain damaged. He was kicked and beaten on the ground. One friend was also punched but the others escaped. Police

said the only reason for the attack was racist.

After a caretaker was cleared of assault, Dilal Akbar, aged 21, said: "I know Quddus. He was unlucky to be caught and attacked but he's lucky to be alive. The police come out after the attacks and say all the crap that's necessary to keep the public quiet but they are all racist and don't do a damn thing about the attacks."



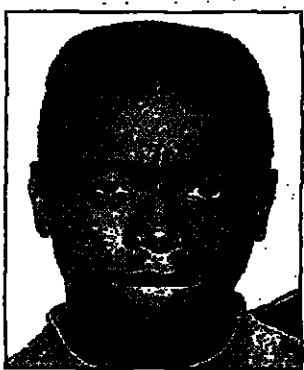
MICHAEL MENSON

MICHAEL Menson, 29, was a musician who had several Top 10 hits with his band Double Trouble. He told his brother he was attacked in the early hours of January 29 by four white youths who had been on a bus with him in Edmonton, north London. At first detectives were not sure of the nature of the attack but now it is the subject of a murder inquiry.

Menson was found ablaze by an off-duty fireman at about 1.40am, trying to rip off his band Double Trouble.

He was taken to the burns unit at Billericay hospital, Essex where he had several skin grafts and appeared to improve but died on February 13.

Scotland Yard never took a statement from him. They said they had no done so on medical advice.



Juicy meditation on the power of passion

First night

Michael Billington

The *Invention of Love* Cottesloe

WHY A E Housman? Why should Tom Stoppard have chosen him as the subject of his new play, *The Invention of Love*? Because it gives Stoppard the chance to meditate on scholarship and poetry, goodness and beauty, homo and hetero, Ruskin and Peter, Housman and Wilde and a host of other subjects. Whatever the play may lack, it is not raw material.

In fact, the play is one of Stoppard's juiciest. Like *Travesties*, it deals with the nature of memory, as the dead Housman looks back on his younger self, and with the coincidences of history. Like *Arcadia*, it is preoccupied with the quality of passion, the random nature of literary survival and the idea of life as a route march leading inexorably to the grave. It is weighed down with too much scholarship, but it attempts to combine the pyrotechnic dazzle of early Stoppard with the later mellowness.

For my taste, it is crammed with too much detail. He not only recaptures the young Housman's passion for the Oxford contemporary, Moses Jackson, but also the quips

and quiddities of dons of the time. But the play really takes wing when the dead A E H confronts the young Housman.

Stoppard always writes best when he writes from the heart, and here he gives the older man a deeply moving defence of classical scholarship. But also, as in the passage on the Alexandrian Library from *Arcadia*, Stoppard dwells on the lottery of literary survival and on the power of passion.

For the other big theme that runs through the play is that feeling is defined by intensity rather than vociferousness. Housman's passion for Jackson was internalised, uncommunicated and the oblique source of much of the poetry. But Stoppard's point is that it

was just as real as Wilde's more flamboyant infatuation with Bosie. In that sense, the play is an unfashionable anti-Freudian work that hymns the validity of sexual repression and of a closeted love.

What is intriguing is that it offers Stoppard at his best and worst. The Latin learning is laid on with a trowel. At the same time, the jokes are good and Stoppard writes with palpable love about a poet fired by the idea of textual integrity who knew the value of Platonic love.

Richard Eyre, in his last production as the National's director, serves the text with his usual exemplary loyalty. I also liked Anthony Ward's back-projections. And at the

heart of the play lies the formidable pairing of John Wood and Paul Rhys as the dead and the living Housman. The former combines a genuine exasperation with the folly of rival scholars with a voice, full of dust and reflections, that reminds you you're a long time dead. Rhys captures the nervous energy and good nature of the Worcestershire lad smitten by a fellow student.

John Carlisle, Benjamin Whitrow and Michael Bryant lend weight to a supporting cast in an evening that reminds us that Stoppard, for all his cerebral qualities, is at his best when he endorses private passion.

This review appeared in some editions yesterday.

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BBC

High living



Up in smoke... regular users of cannabis in Britain consume an estimated 800 tonnes of the drug every year, according to a new survey

PHOTOGRAPH: NOBBY CLARK

Cannabis, the new growth industry

Duncan Campbell discovers that nearly 3 million users spend £3.5 billion a year

REGULAR users of cannabis are consuming an estimated 800 tonnes of the drug in Britain every year and spending about £3.5 billion on it, according to new research. Around 2.75 million people could be described as regular consumers, says the survey.

Contrary to popular conceptions, students take fewer drugs — with the exception of alcohol — than their employed or unemployed contemporaries. Cannabis prices remain stable, virtually unaffected by Customs seizures and police raids, the findings suggest.

A survey of 1,533 regular cannabis users by the Independent Drug Monitoring Unit indicated that younger users started at the age of 12-14 but the most common age for starting was 15-18. The heaviest age-range for use is 20-30 and men are more regular consumers than women. The regular user spends £58.60 per month on cannabis, according to the survey.

Prices were similar throughout the country. The cost of an ounce of cannabis resin varied between £70 and £120, typically £85 to £95, with an eighth of an ounce of resin costing £15 or less.

Skunk, the stronger strain of cannabis, cost between £20

and £25 for the same quantity. Home-grown herbal cannabis cost less than half the price of resin.

Prices are now roughly double those reported in a similar survey in 1984 but most of the intervening rise took place during the period 1985-87 and have remained stable since.

Moroccan cannabis resin was the most common type in use, accounting for 35 per cent of the total. The 1986 "drought" of Moroccan resin appeared to have had no long-term effects.

Asked about their best and worst drug experiences, users gave positive reactions to cannabis, magic mushrooms, LSD and ecstasy (in that order) and negative reactions to solvents, crack, barbiturates, heroin and tranquillisers.

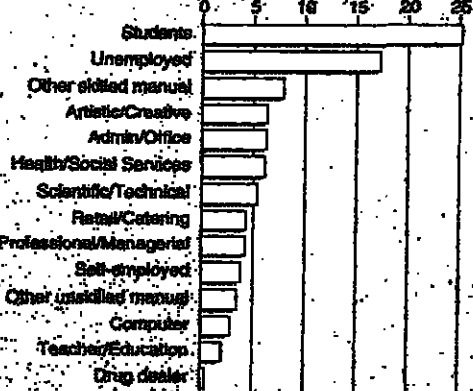
One opium user reported that taking the drug had "opened the doors of perception". One LSD user said that taking the drug had led them to believe that "friends were werewolves" while another reported that "friend turned into beast". An ester of a "gold top" mushroom said that it seemed "that I was going to be eaten by a cannibal".

One cannabis user found that it "gets me fried, pumps

Who's smoking what

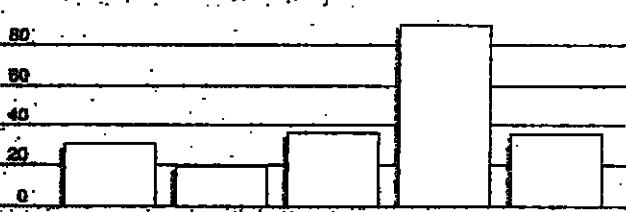
Employment

Occupational group as a percentage of whole, %



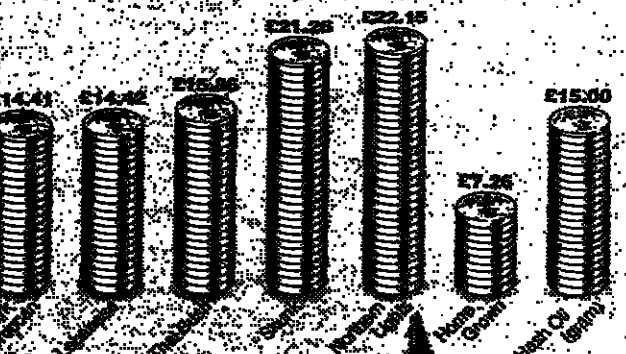
Monthly spending

Amount spent monthly on cannabis, by frequency of use, £



Street price

Average UK cannabis prices by quantity of cannabis, 1/8th ounce, 1994/95



Gender of regular users



Age groups of users

Comparison with conviction/custody statistics

Age group	Number of convictions	% of arrests	Number of respondents	% of respondents
Under 17	14,285	6.38	74	2.57
17-20	23,424	10.18	201	15.18
21-24	18,204	8.07	590	23.21
25-29	14,748	6.50	350	24.17
30+	14,592	6.49	326	19.85
Total	77,505	100	1,324	100

my juice". Another said: "I love feeling like a gibbering mess." Many cited it as enhancing sexual experiences.

Home-grown cannabis is becoming increasingly common, with 60 per cent of users having grown at least some of their own cannabis at some time. One in three growers used "pedigree" types of seed such as Skunk or Northern Lights.

Cannabis accounted for 42 per cent of all the money spent on all drugs per month amongst regular users, with 37 per cent spent on tobacco

and alcohol. Of those surveyed, 32 per cent were women and 68 per cent men. The most popular method of consumption was in tobacco joints (73 per cent), followed by water pipes (9 per cent), with 2 per cent eating it.

Of those growing their own cannabis, 71 per cent were growing the plants indoors, 14 per cent of them in greenhouses — and 23 per cent outdoors.

A total of 582,204 people have now been convicted or cautioned for cannabis use in England and Wales up to 1994.

noted the survey. By taking the percentage of those surveyed who had drug convictions — 21 per cent — the researchers estimate that regular users now amount to 2.75 million. They would consume 800 tonnes of cannabis products in a market worth £3.5 billion.

Regular Users: self-reported drug consumption patterns. Matthew Atha BSC MSc and Sean Blanchard, Independent Drug Monitoring Unit, Freepost NW11111, Wigan WN2 3ZZ. £24.99 inc p&p.

Confident Yeltsin hints at third term

Legal loophole could get round constitutional ban on new bid

James Meek in Moscow

A SUPREMELY confident Boris Yeltsin, more certain of his opponents' weakness than at any time since the collapse of the Soviet Union, admitted yesterday that he was considering standing for a third term in the Kremlin.

Asked about speculation that he might compete in presidential elections in 2000, a move apparently illegal under the constitution he fought so hard for, Mr Yeltsin refused to deny that he could be a contender and hinted it was under active discussion in the Kremlin.

"My supporters and friends have forbidden me to talk about this matter," was all he would say during a visit to the industrial city of Nizhny Novgorod east of Moscow. "There are still three years to go [before elections] and it's too early to talk about it."

According to the Russian constitution adopted in 1993, after Mr Yeltsin violated the previous one by dissolving parliament, no citizen can serve more than two consecutive terms as president.

However, Mr Yeltsin's lawyers could argue that his first term did not count because he was elected as head of an entity which no longer exists — the Russian part of the Soviet Union.

The constitutional court, which would rule on the issue, is perceived as being under Mr Yeltsin's control. The privileges its judges enjoy — flats, cars and access to elite health care — are funded by the presidential budget.

The communist chairman of the state duma (lower house of parliament), Gennady Seleznyov, was more despairing than angry at the possibility of Mr Yeltsin standing again.

"Of course, you could always find a legal loophole, but really two terms of Yeltsin as head of state is quite enough," he said. "It would hardly be positive for Russia to have no change of president for such a long time."

Mr Yeltsin, who will be 69 in 2000, has confounded expectations that after his triumphant re-election last year and recovery from heart bypass surgery he would settle into the role of passive tsar and arbiter between warring interest groups.

A series of provincial tours, beginning with his visit to Saratov in August, has borne all the hallmarks of an election campaign. As if missing the

old battles, he threatened this week to dissolve the duma if it did not agree to the government's harsh 1998 budget.

In another challenge to the opposition yesterday, Mr Yeltsin repudiated one of the main planks of his 1996 election campaign — closer ties with neighbouring Belarus, by barring Belarussian President Alexander Lukashenko from visiting Russia until he freed a jailed journalist.

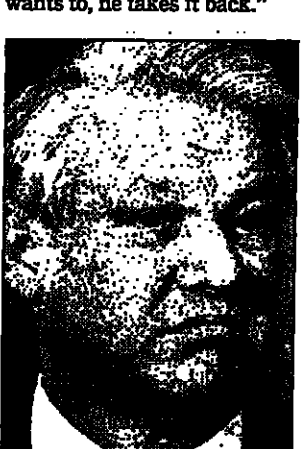
Mr Lukashenko is a hero for conservative patriots in Russia who see in his authoritarian Belarus, where the state controls the economy and the KGB is still the KGB, a fragment of the non-communist version of the Soviet Union they would like to recreate.

The Belarussian leader was due to fly to two Russian regions, Lipetsk and Yaroslavl, but at the last minute his plane was refused permission to land on the direct instructions of the Kremlin, leaving him stranded at the airport in Minsk.

There has been a flurry of presidential declarations in recent days from 2,000 contenders, including Moscow mayor Yuri Luzhkov (not running), first deputy prime minister Boris Nemtsov (not running) and disgraced ex-paras Alexander Lebed (running).

The intensity of speculation about an election still three years away highlights the disproportionate power the president enjoys under the Russian constitution and the stagnation of political discourse. The media has become a private building for rival tycoons to fight personal feuds, while the opposition is hobbled by its failure to turn the discontent of millions of poor, unpaid workers into votes.

Very experienced Kremlin-watchers took seriously the president's avowal last month that he would step aside for a younger leader in 2000. As veteran journalist Alexander Minkin once said: "Yeltsin always keeps his word. If he wants to, he gives it. If he wants to, he takes it back."



Boris Yeltsin: refusing to take on role of passive tsar

Critics scupper first female boxing bouts

Nick Varley Sports Correspondent

THE first authorised boxing match between British women was called off last night after protests at the participation of two 13-year-olds who were due to fight each other.

Emma Brammer, withdrawn before she was due in the ring with Andrea Prime, citing hostile media reaction and the news with her, and her manager as the cause.

Instead the two girls will meet at a secret venue later this month. They hope to stage their contest in private after comments such as those of former British and Euro-

pean heavyweight champion Henry Cooper, who said: "Women are made for loving not hitting" have faded from memory.

Emma's father Derek, aged 42, said his daughter had decided to withdraw after a series of media reports and interviews on the fight.

"We are all very sad because she's not fighting just because of all this publicity and the pressure which it put on her. We were left with no choice but to pull out. She was very upset by all the comments made about her and us."

Emma, from Stoke on Trent, said: "The critics were writing things like 'boxing is not for girls' and saying I should grow up and get back

to my senses. But I think people have a right to choose. "If girls want to box they should box. I think it is a really good sport and I shall carry on boxing."

Shortly after her withdrawal the promoter, George Burton, decided to postpone a fight between two women aged 25, after questions about whether the venue, a nightclub in Stoke, had the correct licence to stage the event.

Mr Burton said both the female fights would be rearranged soon, at other venues in the Midlands.

"We will hold women's boxing here as well — but only after the first fight has occurred and when the hullabaloo has died down."

The women's bouts were due to be the first since the Amateur Boxing Association approved a rule change, which came into effect on Wednesday, allowing competitive fights between women. Previously they had been allowed only to spar.

Rob Robertson, chairman of the ABA, expressed dismay at the postponements but predicted the first female fights would not be long in coming.

"I know our women will not find this damaging to the sport, in fact it will redouble their efforts. We now have some clubs reporting that they have more women ready to compete than men."

Officials at the ABA are known to be keen to see the

first fight take place as soon as possible.

Ken Prime, father of Emma's opponent Andrea, said he had no qualms over girls of 13 fighting. "My daughter likes boxing and while she is enjoying it I am allowing her to do it. If she wanted to go riding then I would take her riding. It's just the same."

British world welterweight champion Jane Couch, who fights professionally abroad, said she hoped Emma and the others would persevere with their boxing. "The rules can't be changed back. If the girls were taking part in judo or kick-boxing nobody would have said a thing. People will just have to get used to women boxing."



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Frank Bruno became a household name with an instantly recognisable voice and face, but Lewis still fails the little old lady test. He has respect within boxing, but his fame has yet to transcend his sport. John Rawling on tomorrow's title fight.

Workings criticised after £78m award □ Call for monitoring committee to keep close watch □ Funding should be re-examined

Opera house facing tough controls

'I don't like the way the Royal Opera House is run. It is our major client. It has to be appropriately run for an organisation that is in receipt of public money'

Thelma Holt (right), chairwoman Arts Council drama panel



PHOTOGRAPH: HENRIETTA BUTLER

Don Gisleter
Arts Correspondent

TOUGH controls are to be imposed on the workings of the Royal Opera House in Covent Garden, London, after two years of criticism of the way it is run and charges of elitism after it was awarded £78 million from the National Lottery.

A report to be published today will say that it was not subject to sufficient control after the award of the record grant towards its redevelopment.

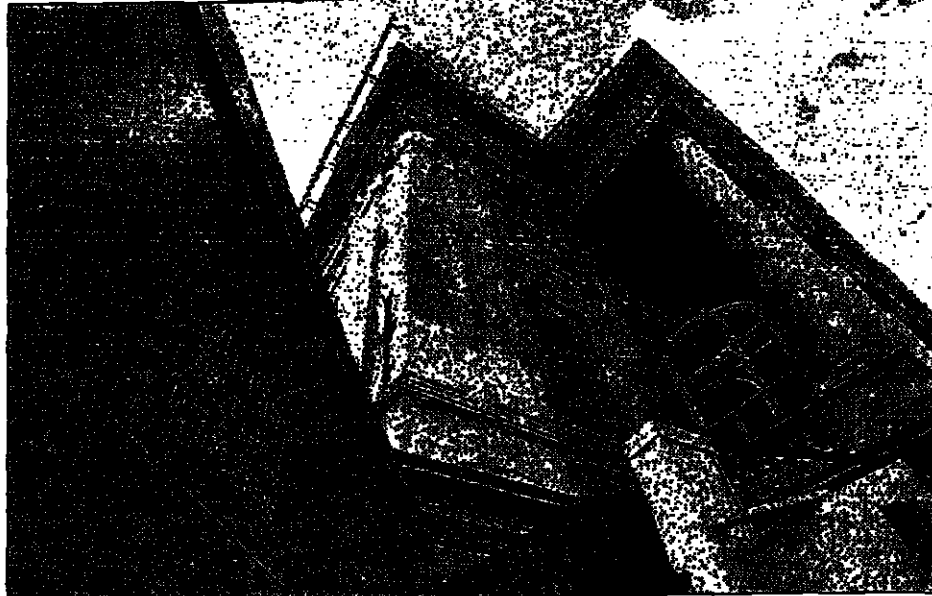
The Walker-Arnett report into the relationship between the Arts Council, which awarded the lottery money in July 1995, and the Royal Opera House, will call for greater clarity, arguing that it is difficult to understand the structure of the house and how it is run.

The report will recommend that a monitoring committee be set up to keep a closer watch on the workings of the house.

The progress of the £214 million redevelopment is monitored by a "trust monitor" appointed by the Arts Council.

A prospective member of the committee said yesterday: "Instead of having the nice, polite sort of inquiry of the past, there will be a group of people who will say 'can we see the figures, and if not, why not? The committee will be made up of people who have nothing to lose'."

The scent of elitism was not sweetened when Lord Chad-



The Royal Opera House: record grant for redevelopment

PHOTOGRAPH: MARTIN GOODMAN

lington, chairman of the Arts Council's lottery panel, left to become chairman of the house. In May Mary Allen, secretary general of the council at the time the award was made, left to become chief executive of the opera house. Culture Secretary Chris Smith warned the opera house about accessibility, saying that if greater access did not feature in its plans, the funding arrangements would have to be re-examined.

These events prompted the Government to instruct the Arts Council to report on its relationship with the opera house. Lord Gowrie, outgoing

chairman of the council, asked Edward Walker-Arnett to report on the relationship between the two. A draft version of his report was considered by the council in August. At September's meeting Mr Walker-Arnett gave a detailed presentation of his report. A summary written by Lord Gowrie was passed to Mr Smith last week.

Thelma Holt, chairwoman of the council's drama panel, said: "I don't like the way the Royal Opera House is run. It is our main client. It has to be appropriately run for an organisation that is in receipt of public money."

As well as the one-off lottery grant the house receives annual funding of £14.4 million for its two resident companies, the Royal Ballet and the Royal Opera. Arts Council sources yesterday discounted reports that Lord Gowrie had resigned as chairman of the Arts Council because of criticism in the Walker-Arnett report.

It is thought that the report does not criticise individuals. It further emerged yesterday that Lord Gowrie, who has shown signs of the strain involved with steering the council through the past four years, has been offered a new business position which he wanted to start immediately.

Equality rides high in draft of new C of E liturgy

Madeleine Bunting on a PC way to God

AFEMINIST marriage service and a range of funeral prayers to assist the "grieving process" are to be distributed to 800 parishes as part of a consultation project on new liturgies for the Church of England.

It is the first time it has piloted drafts of liturgies, a move which will be interpreted as a bid to head off some of the controversy which dogs any change to Anglican services.

The introduction of the Alternative Service Book alongside the 16th century Book of Common Prayer in 1980 is still a matter of contention with Prince Charles only this year criticising the Alternative Service Book as contributing to the "banality and cliché" of the English language.

In the new marriage service, inclusive language removes the male pronoun and replaces generic "man". It does not include the option of the woman vowing obedience to her husband.

"That which God has joined together, let not man divide" becomes: "Those whom God has joined together, let no one put asunder." The chairman of the Liturgical Commission, the Rt Rev David Stancil, said: "It was felt that it's not just men who are responsible for the break-up of marriage."

The draft also reflects concerns about the durability of most modern marriages; for the first time, the congregation is asked

to "support and uphold" the couple.

The revised funeral services are as much about psychotherapy and counselling the bereaved as about commending the soul to God. Draft notes add: "We would want to see the funeral playing its part... as a focus or tool in a much longer process of helping the bereaved, not just to cope or overcome but to grow as people."

There is now a wide choice of prayers for each stage in the process of dying, cremation and burial as well as special prayers for those who have committed suicide, for sudden or violent deaths.

Parishes are asked to offer their opinions, and the drafts will then go before General Synod.

Lucy Winkett, whose appointment to minor canon at St Paul's cathedral provoked controversy last February, admitted at a press conference yesterday that she felt trepidation ahead of her installation at a service on Sunday.

Ms Winkett, aged 29, will work alongside at least two members of the chapter who have objected to women priests. Yesterday Canon John Halliburton said he would not be present when Ms Winkett presided over communion, but insisted that they could still work together. Earlier this year, it was reported that Canon Halliburton and another minor canon, the Rev John Lees, would resign if Ms Winkett took up her post.

Fowler lets go half his shadow role

David Hencke
Westminster Correspondent

SIR Norman Fowler, shadow environment secretary, has had to hand over half of his responsibilities to deputies to avoid breaking parliamentary anti-sleaze rules imposed after the cash-for-questions scandal.

He has chosen to shed the work rather than give up a new £25,000 directorship and investments in a multi-million pound quarrying group, Aggregate Industries Ltd.

Sir Norman yesterday told the Guardian that he will not be commenting on road building or big construction schemes. Labour's proposed aggregate tax, or any environmental and planning matters that affect quarrying or the use of quarries for landfill schemes.

He has given responsibility for road and construction matters to Christopher Chope, the former roads minister, who will also have to respond on any quarrying matter.

Sir Norman said he believed he would still be able to do his job properly. "I want to concentrate on local government and regional affairs and London. I made it clear from the first day of my appointment that Mr Chope would take full responsibility for roads and construction."

The rules that prevent Sir Norman from participating in any parliamentary business which overlaps with his directorship were passed by MPs under John Major's government. He cannot ask questions, make speeches, table motions, lobby or arrange to lobby ministers or draft select committee reports

that could relate to Aggregate Industries.

Since aggregates are used as hard core for road building, airport runways and big building projects, and since quarrying developments are a big issue with road protesters, Sir Norman will have to be silent on a wide range of issues.

In Parliament he will have to silent on them — even if provoked by Labour street fighters like John Prescott and Gavin Strang during question time for ministers in Mr Prescott's transport and environment department.

He will also be unable to lead the Opposition on any bills on road building or comment on the aggregate tax expected in next year's Budget. Sir Norman said last night that he had been connected with the quarrying industry since 1990. He was originally a director of Evershed, which was acquired by the Barton Group and this year he became a non-executive director of the newly created Aggregate Industries after Barton merged with a firm called Camas.

At the time of the merger, Sir Norman was a £25,000 a year and had 15,000 shares in Barton. He also had 95,000 share options which could have exercised at that time.

Peter Tom, chief executive of Aggregate Industries, is also chairman of the Quarrying Products Association, which is lobbying ministers.

A spokesman for the company said yesterday that it did not expect Sir Norman to lobby for it and did not mind his being silent on their behalf in Parliament.

"He has been appointed for his business experience," he said.

Agreement on weeding out failed teachers

Acas guidelines give worst cases just four weeks to improve

Rebecca Smithers
Education Correspondent

TEACHERS' organisations, employers, churches and school governors have unanimously agreed new fast-track disciplinary rules for the profession which will lead in extreme cases to incompetent teachers being dismissed in just one month.

Under outline "capability procedures" published yesterday by Acas, the independent arbitration service, most teachers found to be incompetent will be given two terms — six months — to show an improvement before being handed their notice.

But unions have softened their opposition to an earlier government proposal and have now agreed that in cases where pupils' education is jeopardised, teachers should be given only four weeks to improve.

They were, however, privately claiming a moral victory in getting a new category of "gross incompetence" struck out of the document.

The report will now be submitted to the schools standards minister, Stephen Byers, who in July asked the ruling group of school representatives from the churches, governors, the

national employers' body, and the six teachers' organisations, to draw up an outline structure.

Yesterday he said: "As we have stressed continuously, and as the Prime Minister made clear in his conference speech, there is no room in the classroom for incompetent teachers."

The unions, which have complained bitterly about the Government's constant attacks on "failing" teachers, welcomed the agreement as likely to boost morale by triggering the expulsion of a small but troublesome group.

Chris Woodhead, the Chief Inspector of Schools, has infuriated teachers with his claims that there are about 15,000 incompetent teachers. Other estimates put the figure at nearer 2,000.

Peter Smith, general secretary of the Association of Teachers and Lecturers, underlined the need for swift and effective action. "While there remains a public perception that there is a problem with incompetent teachers who are impossible to remove from their posts, the whole of the profession is tainted. There must be a humane but efficient procedure for supporting and training those who can be helped to improve and for dismissing those who do not."

Graham Lane, education chairman of the Local Government Association, said: "This is a historic agreement and a very welcome one. For the first time, every school governing body will have a legal obligation to work to these guidelines."

Doug McAvo, general secretary of the National Union of Teachers, said: "This agreement offers protection for pupils and fair procedures for teachers. The agreement underlines the importance of patient negotiations under the guidance of Acas."

In particular, the provisions for shortening the period allowed for a teacher to show improvement where children's education is jeopardised provides protection for pupils.

David Hart, general secretary of the National Association of Head Teachers, said: "The fact that representatives of the employers, the churches, the governors and the teachers' organisations have been able to agree an outline capability procedure for teachers is good news for the profession."

"The procedure guarantees both fair treatment for staff as well as specific routes by which incompetence will be dealt with."

"Above all it recognises the willingness of all concerned to tackle incompetence, which is neither in the interests of the teaching profession itself nor the pupils and their parents."



Canon John Halliburton, who has objected to women priests with Lucy Winkett, who will become a canon at St Paul's Cathedral

PHOTOGRAPH: SEAN SMITH

Drunken belief that car was taxi ended in woman's murder

A YOUNG woman who got drunk while out celebrating a friend's 21st birthday climbed into a car mistakenly believing it to be a taxi, a court was told yesterday.

The next day her body was found, naked and charred, on waste ground behind a pub. Duncan Birmingham, aged 32 and unemployed, pleads not guilty to murdering Rachel Thacker, aged 22, after driving off with her from Canal Street, in the part of Manchester known as the "gay village", late on August 10 last year.

Manchester crown court was told by Peter Openshaw QC, prosecuting, that after Ms Thacker left her friends she was never seen alive again. Her body showed "dreadful" head injuries. There were signs of rape, and an attempt had been made to burn the body.

Ms Thacker, from Cannock in Staffordshire, had just graduated and was about to start a job as an occupation therapist. "She was pretty, lively and good-natured," said Mr Openshaw.

She went out drinking with friends, visiting several bars, and she became drunk. As they waited for a taxi, she flagged down various cars, and one stopped.

"In spite of the advice of her friends that the car wasn't a taxi, Rachel Thacker got in."

Mr Openshaw told the jury that a red Ford Sierra was tracked down by police from the descriptions given by her friends.

It belonged to a friend of Birmingham's living on the same estate in Longsight, Manchester, who told police he lent it the defendant on the day.

Princess's bodyguard to leave hospital

TREVOR Rees-Jones, the sole survivor of the crash that killed Diana, Princess of Wales, is expected to return home to Britain from hospital in Paris today after confirming that he has no memory of the minutes leading up to the tragedy.

The 29-year-old bodyguard was last night awaiting clearance from his doctors, according to hospital sources.

Hours earlier, accident investigators made a second successful attempt to establish from their only witness exactly what happened.

Mr Rees-Jones suffered facial and chest injuries in the fatal crash and needed 10 hours of surgery.

In his first interview, he said he remembered nothing after climbing into the Mercedes limousine carrying the Princess and her friend Dodi Fayed outside the Ritz Hotel, in Paris, soon after midnight on August 31.

Minutes later the car went out of control in an underpass, killing the couple and the driver, Ritz security man Henri Paul, who was found to be more than three times over the drink-drive alcohol limit.

Mr Rees-Jones may be interviewed again, if his memory returns.

Lynn Barber discovers the many skeletons in Eddie Izzard's cupboard. They're right behind the dresses.

The Observer This Sunday, another revealing interview.

Union tells members to keep to alarm system rules

Train drivers back rail safety warning

Keth Harper
Transport Editor

THE train drivers' union, Aslef, last night moved to stop drivers taking out trains with defective safety equipment unless they were accompanied by a second qualified person in the cab.

This follows an unprecedented order to the 25 train companies by the Health and Safety Executive to improve safety standards after an investigation revealed "an overly liberal interpretation" of rules governing the operation of the automatic warning system.

The system operates an alarm which alerts drivers to the state of signals. The warning from the safety watchdog has been prompted by the inquiry into the Southall rail

crash two weeks ago, in which it is thought that the system was not working.

The company, Great Western, has refused to confirm that the system was not functioning when the train left its depot near Paddington for South Wales and then back to London. The accident killed seven people and injured 150.

Lew Adams, Aslef's leader, said the HSE order showed that some companies were prepared to put profit before safety. If a driver discovered that the AWS equipment was defective, he must be accompanied by a second person to maintain safety standards. If the request should be refused, the driver should refuse to take out the train.

Under a pay and conditions agreement with Great Western last year, Aslef agreed to the removal of a second driver on passenger trains on

some services. The HSE's move amounts to a charge that the companies have been lax in ensuring that the AWS is functioning properly before a train leaves a depot.

The failure of the equipment will almost certainly be put down as one of the reasons for the Southall crash.

The move is unprecedented and underlines HSE concern about safety on railways. A letter from Vic Coleman, deputy chief inspector of railways, says that AWS is a long-standing safety system with a reputation for reliability. The companies have been ordered to undertake an urgent review.

If a fault were discovered on a journey, the driver had to inform signal control "at the first opportunity".

Safety failures, page 13

Search for missing fishermen called off

COASTGUARDS have called off the search for further survivors of the Peterhead trawler *Sapphire*, which sank on Wednesday, writes John Arlidge.

The skipper, Victor Robertson, who was rescued by an RAF helicopter after the trawler overturned in heavy seas, said he was deeply shocked by the disaster. He returned home last night after he was discharged from Aberdeen Royal Infirmary.

Adam Stephen, aged 29, Robert Stephen, 25, Victor Podlesny, 45 and Bruce Cameron, 32, all from Peterhead, are presumed dead. Robert Cameron, Bruce's brother, said last night he was "devastated for myself, for my brother, for the rest of the crew and their wives".

Vi Mitchell, the mother of Mr Robertson's fiancée, Lynne, described the despair she felt at the loss. "We haven't slept at all since

Wednesday. It's been hard enough even though Victor is safe and well. God only knows how the other families are coping because there are kids to think about. The whole thing is a nightmare."

The family of Adam Stephen was too upset to talk. Robert Stephen's wife, Shirley, 24, said she was still trying to come to terms with the tragedy and described the crew as very good friends. An investigation is under way.



The Queen's Head, Newton, Cambridgeshire, which won the 1998 Good Pub Guide's unsplotted country pub of the year category. PHOTOGRAPH: FRANK BARON

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Price and froth leave drinkers short of cheer

Alex Bellis

UNFAIR increases in the price of beer and the size of the head on a pint are putting a double squeeze on pub drinkers, according to the Good Pub Guide 1998 published today.

The cost of a pint has risen by 1 per cent more than inflation, the result of aggressive tactics by the large breweries, claims the guide in its survey of 1,198 pubs.

Independently owned alehouses, however, sell generally at 11p less than the national chains.

Bar staff are also conning drinkers out of as much as 10 per cent of their pint by using "sparkler" handpumps that create a head by frothing up the beer. While these have been used for many years in the North where the beer is suited to a large head, the guide claims that pubs in the Midlands and the South are putting heads on inappropriate brews.

"A pint is already very expensive. As well as the prices going up there is an extra squeeze to get people to drink air," said Robert Unsworth, executive editor of the Guide.

"There is an assumption that if a beer doesn't have a head it is flat. This is not true. It ruins the flavour of something which has been delicately and sensitively developed by distilling the top 10 per cent of the drink."

He added that the most important issue about spurious heads is the financial loss to the drinker. "It is obviously in the brewers' interests to encourage this to be done so they can squeeze out more pints from the barrel. If a bar-

rel holds, say, 88 pints, they can get another eight or nine pints extra for free."

A Labour MP is calling for legislation to define the size of a pint. The private member's bill, to be introduced by Dennis Turner, MP for Wolverhampton South East, is backed by consumer affairs minister Nigel Griffiths.

"When the customer asks for a pint and is charged for a pint, that's the quantity that they should be served."

The guide describes how the British pub is changing by having more non-smoking areas, and by serving increasingly better food. But there are some areas that are still causing grief to the 50,000 readers who write into the guide every year.

Poor service is still the biggest complaint, making up about 20,000 letters. The size of the head on a pint is also a problem, but there are some areas that are still causing grief to the 50,000 readers who write into the guide every year.

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Footballer aged 10 threatened with ban for swearing at ref

Claire Longridge

ADONCASTER footballer Ahas been threatened with a ban after he allegedly swore and lashed out at the referee. A three-man panel at a Football Association disciplinary hearing handed out a suspended five-month ban after Anthony Bird called the referee a cheat.

The incident raised eyebrows among the other players before the tribunal, not because insulting the referee is anything unusual, but because Anthony is only 10, the youngest player ever disciplined by an official panel.

Anthony, who plays centre-half for Armthorpe Rovers under-11s, was accused by a referee of swearing and swinging his arm towards him after a penalty was awarded to the other team. He was sent off, and later called before a disciplinary hearing along with adult players.

The panel told him the ban could be put into effect if he misbehaved again. The boy's father, Steve Bird, a

hotelier from Armthorpe, said the FA had overreacted.

"My lad knows he did something wrong but he never thought it would get so out of hand. It should have been dealt with at local level."

Anthony was playing in a junior tournament at Sprotborough, Doncaster, when he was ordered off.

His father, watching on the touchline, leaped to his defence. "Nobody thought it was a penalty. A foul was committed but it was outside the area. Anthony just touched the ref's arm as he pointed to the spot to turn him round to have a word with him. I heard Anthony call him a cheat but never heard him swear."

But West Riding County FA officials, defending their decision, said they were cracking down on bad behaviour by junior players.

Ray Carter, who was on the panel, said: "After reading the referee's report it was considered that the offence was serious enough to warrant the boy's presence at a full hearing."

6 BRITAIN

Stag chasing 'too cruel', council rules

Trust chiefs uphold ban against deer hunting

Paul Brown
Environment Correspondent

ABAN on deer hunting on National Trust land is to stay, despite a call from a High Court judge for the trust to reconsider.

After a four hour meeting yesterday, the National Trust's ruling council decided to stick by the decision it made in April not to renew licences permitting three packs of hounds to hunt over its land in the West Country. Leaving the meeting, council member Rodney Legg said: "Forty two members turned up and there was no division. There were pretty hard questions asked, but they didn't affect the decision. It was crucial, but it was quite clear there were going to be strong opinions expressed."

He called the ban on hunting a victory for the trust's members and for society in general.

The special meeting of the council was called after Mr Justice Robert Walker said in the High Court in August that the original decision to ban hunting on the grounds of cruelty had been rushed and had failed to take all the facts into account.

Although the hunts are still in the throes of legal action against the trust, the main plank of their case was that the trust had not consulted the hunts before deciding on the ban. Yesterday, the council had all the evidence from the hunts before it. It issued a statement saying the cruelty of hunting was still the overriding factor and therefore hunting could not be allowed to continue.

A deposition from the Ex-moore National Park Authority, which appeared to support the hunters' case by

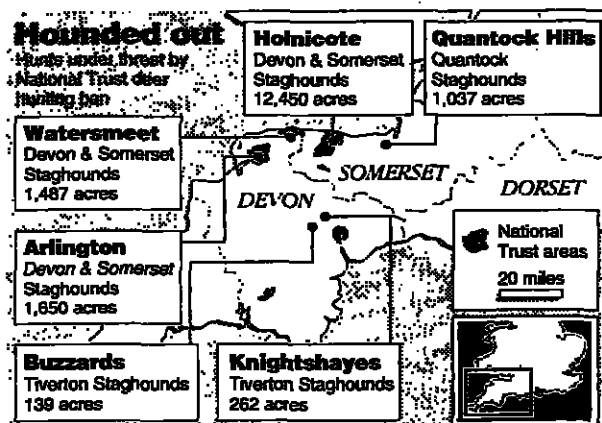
warning of an increase in "indiscriminate, unco-ordinated shooting" if deer hunting was banned, did not sway the council. The trust had resisted several attempts over previous years to force it to outlaw deer and fox hunting. The focus eventually shifted to deer hunting because of the alleged cruelty involved.

In 1995 Patrick Bateson was appointed to study the stress caused by hunting deer over up to 15 miles. The professor's two-year research found clear scientific evidence that hunting with hounds — as against shooting — imposed extreme stress on deer and caused them great suffering. Shooting was a preferred method for culling red deer.

The Devon and Somerset Staghounds and the Quantock Staghounds, both of which would have severe difficulties avoiding trust land during their chases, mounted legal actions arguing that without the hunts local farmers would be tempted to shoot the deer to avoid damage to their crops and that the remaining wild red deer herds in England were at risk unless they were protected and managed.

They were twice refused injunctions against the trust. However, Mr Justice Walker criticised the "speed and secrecy with which the decision was taken", and invited the trust to reconsider.

The trust sent its council members all the evidence presented to the court and called a special session to consider it. Confirming the ban yesterday, the trust said: "The council said it would be ready to consider any further evidence that might have a bearing on the welfare of the deer and the conservation of deer herds. And it would be looking at the issue of deer management."



Quantock hounds face financial ruin

Geoffrey Gibbs

CONTINUATION of the National Trust ban on deer hunting is the death knell for the Quantock Staghounds, which have seen income slump since the decision in April not to renew hunting licences.

Although the ban affects only 1,000 acres of the Quantocks, officials of the 80-year-old Somerset hunt say that the strategic position of three blocks of National Trust land in the area makes it impossible for the hunt to operate effectively and will leave it with no option but to disband.

The chairman, Nigel Muers-Raby, said the hunt would have to decide whether to proceed with legal action against the National Trust, but he acknowledged that unless the ban was lifted it would be very difficult for the Quantock to continue.

Officials admitted membership had fallen by 40 per cent since April — to 80. "I am disgusted," said Mr Muers-Raby. "The National Trust have had clear evidence that the decision they made in April was a hasty and wrong one. They have been given the opportunity to overturn that, but they have ignored the evidence and acted to save their

face." He said he was concerned for the future of the deer herd, fearing farmers would no longer tolerate deer hunting. "It is very concerning about the future of the deer herd."

Since the ban was imposed the hunt has met on Exmoor, at the invitation of the much older Devon and Somerset Staghounds. But joint master Paddy Groves says such meets will not provide a long-term future. "We manage the deer on the Quantocks and if we can't hunt there we are not doing our proper job. To hunt effectively, we have to have free access to the whole of the Quantocks."

The Quantock Staghounds, based at Bagborough, were set up with money from the Lloyd George government to manage the area's then threatened red deer population. There are now estimated to be around 600 wild deer on the Quantocks.

With four full time employees and 70 hounds to support the hunt is struggling to cope with financial losses arising from the ban first imposed in April.

Hunt income comes from a variety of sources, including hunt balls and point-to-point races. But the lion's share is provided by the £400-a-year annual subscription from members who ride to the hounds.



My Emma, he says, is his pride and joy. After all, whatever happens in the Arc, she has already brought him more pleasure than any other horse.

Sport97 page 10



Members of the Quantock Staghounds congregated before yesterday morning's meeting on Exmoor. PHOTOGRAPH: TIM CLIFF

£31m surcharge on Porter's Tory group 'ludicrous'

James Mollie
Community Affairs Editor

ALAWYER for Dame Shirley Porter yesterday attacked the "ludicrous" decision to impose a £31 million surcharge on the former leader of Westminster city council and former colleagues for their alleged part in the "homes for votes" affair, saying it could ruin them and have serious implications for all local government.

Anthony Scrivener QC told the High Court in London that district auditor John Magill had acted "as investigator, judge, prosecutor and expert witness".

Dame Shirley, David Weeks, her former deputy, who is still a councillor, Peter Hartley, a former housing chairman, Graham England, former chief housing officer, and Bill Phillips, former council managing director, are appealing against findings of wilful misconduct delivered by Mr Magill in May last year, nine years after the council's housing committee decided on a "designated sales" policy. The auditor alleged that they tried to fix election results in marginal wards by selling empty council property under right-to-buy schemes to people who were likely to vote Conservative.

Mr Scrivener said: "There

is no allegation of dishonesty against any of the appellants or any allegation that any of them benefited personally... The idea that a local government officer should pay such an amount is ludicrous. They stand to lose everything..."

"David Weeks and Peter Hartley equally face financial ruin," and though Dame Shirley's father was "the most successful barrow-boy of all time" in building the Tesco empire, "£31 million is a massive sum for anyone".

Councillor Michael Dutt, criticised in Mr Magill's pro-

visional report in 1994, had "found it all too much and took his own life, leaving a note explaining why", said Mr Scrivener, while Paul Hayler, a former divisional housing officer, had had a nervous breakdown and was not included in the proceedings.

The Nolan committee on standards in public life had in July recommended abolition of the surcharge system, which "is probably doomed". The ability of the auditor to act in "conflicting capacities" was "clearly contrary to the European Convention on Human Rights, and the UK becoming a signatory of the

European Convention will have a devastating effect on these proceedings."

Mr Scrivener said certain allegations, including gerrymandering, were never put to Dame Shirley. He had obtained and relied upon party political documents, when in most countries it was readily accepted that these were confidential.

Mr Magill had suggested that politics was not part of decision-making in local government. However, said Mr Scrivener, "politics is always relevant, but the political considerations must not be the dominant factor. It does not matter that a particular decision is politically beneficial if it is justifiable on proper local government grounds."

Conservatives, whose majority had dropped in the 1995 local elections, had considered ways of doing better next time. "There is not a political party or group in the country which would not have been doing the same thing. The only difference is Mr Magill had not had access to their documents."

He said officers had taken legal advice that led Dame Shirley to believe designated sales would be lawful if implemented city-wide. Priority had been given to Westminster residents and also to council tenants — not usually thought of as being natural Tory party supporters. "Only 23 out of 562 sales city-wide went to people outside Westminster."

Bad hearts linked to baby's life in the womb

WOMEN who are short and fat are more likely to have babies that later in life will suffer from heart disease, writes Chris Mill.

The idea that heart disease might originate in the womb has been pioneered by David Barker, a professor at Southampton university. He has shown that low birthweight babies have as adults a higher risk of high blood pressure, diabetes, and increased cholesterol.

This suggests that giving pregnant women better nourishment will increase the weight of babies, and thus cut heart disease in the population. Some commentators believe this is one reason for declining rates of heart disease in many western countries.

However, the theory could also explain why newly westernised countries appear to undergo an epidemic of heart disease: at an intermediate stage, before the population grows taller as well as heavier, short fat mothers increase the risk of heart disease for the next generation.

Support for this comes in a study by Prof Barker and colleagues from the Finnish National Public Health Institute, reported in the British Medical Journal; men of low weight at birth were at higher risk of death from heart disease, as were those whose mothers were short and fat. "These findings suggest a new explanation for the epidemics of coronary heart disease that accompany westernisation."

Police 'took girl, 14, on drugs binge'

Emily Sheffield

TWO policemen have been suspended indefinitely after allegedly going on a drink and drugs binge with a 14-year-old girl in Manchester last month.

The girl has claimed that they sent her into the Moss Side inner city area to buy cannabis which they then smoked in a taxi during their night out on September 18.

The two officers, from the Isle of Man, were also involved in a street brawl and later arrested by the Greater Manchester police force after one jumped through a toilet window to avoid paying a restaurant bill.

Greater Manchester police said yesterday: "As a result of an incident reported to us on September 18, two off-duty Isle of Man police officers have been interviewed by Greater Manchester police. Further inquiries are being conducted and the chief constable of the Isle of Man is fully aware."

A spokeswoman from the Isle of Man constabulary confirmed yesterday: "Both officers have been interviewed by Greater Manchester with their inquiries and have been

temporarily suspended from duty in accordance with normal practice." A statement from Man force is also conducting an internal inquiry.

A report will go to the Crown Prosecution Service, which could result in charges of possession of drugs, including a minor to buy drugs and theft of a meal.

The officers are also likely to face a disciplinary charge of bringing their force into disrepute, and could be sacked.

The alleged incidents took place while the two were staying in Gorton, Manchester. They left their rooms at the Comfort Friendly Hotel and called in several pubs on their way to the city centre where they met the 14-year-old and her 23-year-old sister and allegedly took them into pubs and clubs buying drinks.

As they left one club they ended up in a street brawl and were injured. Later they got into a taxi for a tour of the city and allegedly sent the 14-year-old to buy the drugs.

After nightclubs closed, one went back to his hotel and the other went on to a restaurant nearby where he allegedly escaped through the toilet window, leaving the two girls to pay the £20 bill.



The remains of the Holbeck Hall hotel after the cliff on which it was built 110 years ago crumbled beneath it in 1993

Council blamed for hotel that fell into the sea

Martin Wainwright

AHIGH COURT judgment sent shock waves through the insurance industry yesterday by blaming a seaside council for the £22 million slide to destruction of a luxury hotel.

Appropriately described as a ground-breaking ruling, it criticised Scarborough council for failing to shore up the crumbling cliff below the Holbeck Hall hotel, which collapsed in 1993 over eight weeks.

Taking cutlery, a rose garden and a Labour MP's underwear with it, the slow motion slide to the beach held much of the country transfixed. Part of the slow but relentless destruction of Yorkshire's coastline, it also triggered a legal battle royal between insurance companies — which is likely to continue after yesterday's judgment.

Insurers for Scarborough council promptly announced an appeal, taking what amounted to a hint from Judge John Hicks QC that his ruling was based on legal precedent and was open to a wider challenge.

Scarborough's chief executive John Trebble said: "The judge stated that he felt bound by a principle of law established in another case which produced the opposite result to what he would have pre-

ferred. He effectively invited the parties to appeal and this invitation will be accepted."

The owners of the hotel, whose final hours were marked by a church service and the sale of commemorative T-shirts, had sued Scarborough for damages. Barry and Joan Turner, of English Rose hotels, have since concentrated on properties far from the sea.

Mrs Turner has rejected the idea of attempting to rebuild on what remains of the Holbeck Hall site, on the grounds that insurance cover would never be given. Scarborough has since spent more than £1.75 million on a new seawall with a 75 per cent government grant.

The judge said the long history of erosion along the coast of Yorkshire, where 40 towns have disappeared since the 14th century, meant that Scarborough must have been aware of the need for regular remedial works to unstable cliffs. Some had been carried out in 1969 but were wholly inadequate, he said.

The court also heard that Scarborough had fallen foul of government restrictions on funding, which ruled out an earlier South Bay scheme because it did not constitute emergency coastal defence work. Judge Hicks said Scarborough had produced no convincing evidence that financial restrictions had made



Barry and Joan Turner, owners of the doomed hotel

proper shoring-up prohibitively expensive. The wider significance of the ruling, in breach of care as neighbouring landowner, rather than local authority, was being absorbed by insurers yesterday. Mr Trebble said: "The judgment breaks new ground as it seeks to create a duty on landowners; the implications of which are quite startling. If it stands, it will have far-reaching consequences, particularly for local authorities and others who have landholdings."

Continuing instability has prevented rescue of the 110-year-old hotel's mock Tudor fixtures or belongings of guests who left rapidly after cracks appeared in walls. Buried items include a £20,000 oil painting and the socks and smalls of Max Madden, then Labour MP for Bradford West, who scrambled out with his wife after they awoke to see the front lawn moving downhill.

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Rome finds new coins to revive old fountains

"As well as 300 appeals for help, more than 90 people have called the hotline to insult it," said Ségolène Royal, the junior minister for schools and colleges. "Bizutage clearly has some very strong defenders."

Impatience on a monument . . . A young visitor finds a fast way round the ruins of Pompeii. The town will become the beneficiary of a model scheme under Italy's new laws to conserve ancient treasures and get tough on vandals PHOTOGRAPH: RICHARD BAKER

Enactment of the measures, which have been in gestation for four years, follows a series of attacks on monuments that has emphasised the fragility of many top tourist attractions. They include a fountain by Gianlorenzo Bernini in the Piazza Navona in Rome, and another fountain in Catania, damaged by drunken British rugby players.

Loans will be secured against ticket sales at the specific monuments for which the money is intended; thus investors may be invited to underwrite Pompeii bonds, Colosseum bonds or Venice bonds.

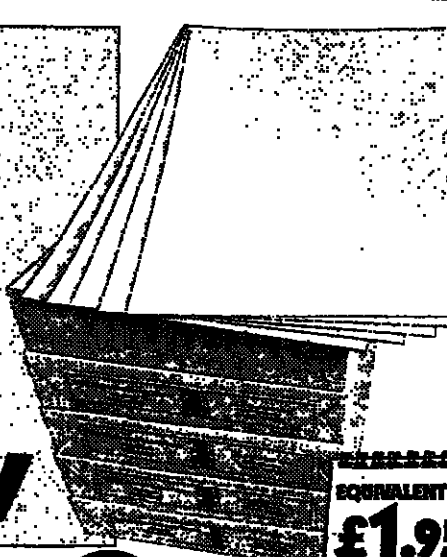
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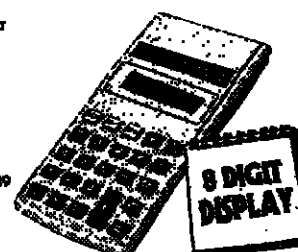
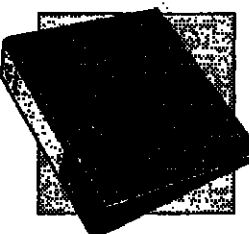
time, the European countries are an even bigger threat to us," he said. "A flood of synthetic drugs from western Europe is engulfing Russia."

Austrian car bomb

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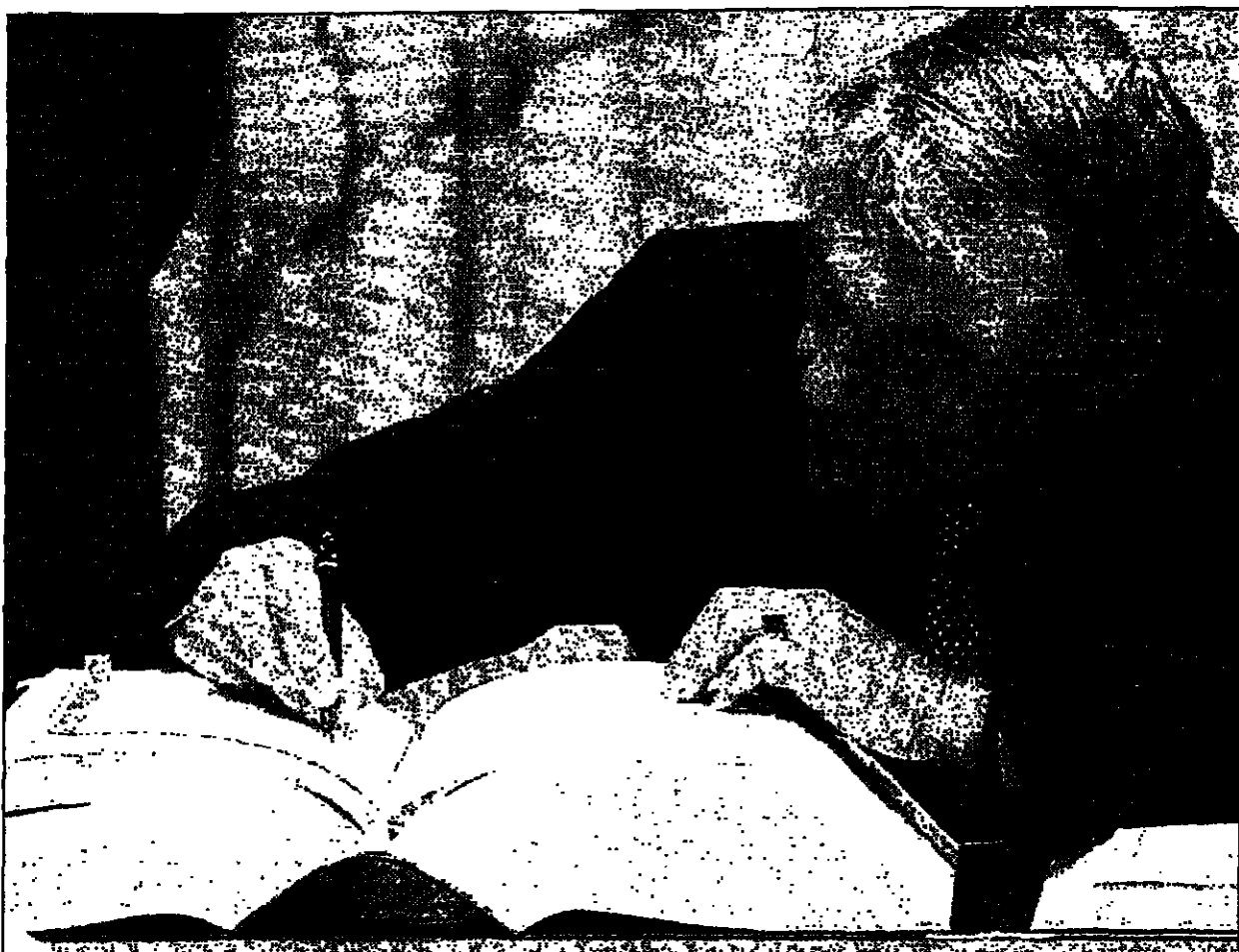
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The Dutch foreign minister, Hans van Mierlo, signs the unwieldy multilingual EU 'people's treaty' in the citizens' hall at the royal palace in Amsterdam yesterday. The treaty paves the way for new EU members. PHOTOGRAPH: JERRY LAMPEN

Disgruntled Santer holds back harsh attack on new EU treaty

Martin Walker
in Amsterdam

THE president of the European Commission, Jacques Santer, was yesterday dissuaded at the last moment from delivering a blunt attack on the treaty European Union leaders were about to sign.

"I do not hide the inadequacies, the weaknesses and the great gaps — notably in the field of institutional reform," Mr Santer had planned to say — according to a draft of his speech obtained by the Guardian — at yesterday's formal signing by EU foreign ministers of the Amsterdam treaty before Queen Beatrix of the Netherlands at the royal palace.

The treaty prepares the EU for the entry of new members, providing for a lifting of internal border controls, police co-operation and uniform visa and asylum policies — except for Britain, Ireland and Denmark. Mr Santer had also planned to call for an inter-governmental conference "as soon as possible" to prepare "profound reforms". But when it came to the formal signing, he was persuaded to back off.

With an emollient phrase that would not offend his Dutch hosts, he postponed the idea of an inter-governmental reform conference until "after the year 2000".

The Dutch coalition government led by Wim Kok, a mod-

ernising former trade union leader and friend of Tony Blair, was gloomy enough about the near failure of the Amsterdam summit without Mr Santer's public attack.

The Germans, too, who blocked institutional reform at the treaty negotiations, did not want a public reminder of the moment when they began to sound like British Tories.

So Mr Santer finally echoed the clichés of the other speakers in the Burgers Hall of

'I do not hide the inadequacies, the weaknesses and the great gaps — notably in reform'

the palace. Hailing "new steps towards a real European Community", he said: "The contours of the new Europe of the 21st century are now clearly drawn."

Not even the Dutch were prepared to go quite that far. Mr Kok defended the treaty he had crafted as "possibly rather modest but an essential step on the road to further European integration".

Looking on the bright side, EU members agreed to call Amsterdam "the people's treaty", praising its establishment of a new European citizenship, a dedication to job

creation and environmental protection, and the right to suspend any member state that breaches "the fundamental principles of human rights and fundamental freedoms and the rule of law".

"We have drawn the lessons of Maastricht — it has at last appeared indispensable in the eyes of all to meet the concerns of our citizens," Mr Santer had planned to say. In the event, he claimed more humbly: "We have tried to meet the citizens' concerns."

Protesters, jeering and harrying the Euro-worshippers as they entered and left the palace yesterday, carried banners which read, "Women demand a peaceful, green and social Europe" and "Stop the euro — or lose our democracy", and released blue balloons bearing anti-euro slogans that bounced festively around the white-stockinged legs of the royal footmen.

Not many of Europe's real power brokers had bothered to show up for the ceremony. Chancellor Helmut Kohl of Germany, President Jacques Chirac of France and Tony Blair stayed away, and the Italian delegation was distracted by the latest government crisis in Rome, which threatens to derail planned budget cuts and keep Italy out of the single currency.

In the wake of the Amsterdam treaty, the European project now hangs on the advent of the single currency and EU expansion into central and

eastern Europe. New battle lines were drawn up in the palace yesterday when the European Parliament leader, José María Gil-Robles warned that the parliament would demand a say in the monetary decision-making of the proposed European central bank.

Slightly about Europe, page 13

Passionate vibrations across the Atlantic

Ian Black
finds the new US ambassador Philip Lader, right, excited by all the things Blair's London and Clinton's Washington have in common



PHILIP LADER does not even flinch when that S-word comes up. "The special relationship is as vital today as it was in world war two and at any time in our memory," the new United States ambassador to Britain insists. Other extravagant and familiar adjectives — enduring, historic, unique — trip lightly off his tongue, but the most striking and novel thing about Bill Clinton's man in Grosvenor Square is the strong parallels he sees between the two countries.

"The best part about coming to the United Kingdom in this role," he told the Guardian in his first British interview, "is the level and vitality of what we have in common today: vibrant economies, passionate interest in modernisation, common interests in global issues that transcend parochial or partisan political concerns."

Mr Lader, a businessman

and educator who worked for the Clinton White House, is not the first non-career diplomat to be sent to London. But he reflects more than any predecessor the changing priorities of a post-cold-war administration which still plays a global role yet worries more about problems at home.

Relations between president and prime minister reflect this shift. Mr Clinton and Tony Blair are said to be more interested in talking about winning elections and pushing through domestic reforms than about the more traditional international security preoccupations of these most intimate of allies.

"I'm always somewhat amused by questions about the commonality between the prime minister and the president, because I think President Clinton would really like to know how you get a 179-seat majority in the Congress," Mr Lader laughs. But he sees more substan-

tial links between the two. "They have a driving interest in respecting tradition and national interests while formulating contemporary solutions to real problems of real people."

In his first 10 days in Britain he has already been to the Labour and Liberal Democrat party conferences, and he will go to Blackpool for the Conservatives.

Anxiously non-partisan, he wonders whether holding annual conferences makes British politicians more democratic or more masochistic than American politicians, who have them only every four years.

Business, investment, education and the arts are his areas of strong interest, alongside more familiar staples like Northern Ireland, which he plans to visit shortly to attend an investment conference and meet the peace talks mediator George Mitchell.

Other priorities are Nato expansion and Bosnia — where differences are likely over the lifespan of the S-400 peacekeeping force — and joint approaches to the Middle East. With the US criticised for its carbon dioxide emissions, and the impending climate change conference in Kyoto, environmental issues loom large.

Novice diplomat he may be, but Mr Lader is careful to toe the line on the row about possible US sanctions against the French oil company Total because of its controversial \$2 billion investment in Iran's gas industry.

And he tactfully sidesteps questions about the difficul-

ties of following policies dictated by powerful Republicans on Capitol Hill.

New Labour's friendly attitude to Europe is good news, since the US has long made clear its preference for a Britain engaged on the Continent over one shouting abuse from the sidelines.

In this 'honeymoon' atmosphere, close attention is being paid to the debate about European monetary union.

Mr Lader, a legendary networker, is also a good listener and a fluent speaker, appropriate for a man famous for his Renaissance Weekends — annual gatherings at which Bill and Hillary Clinton have joined 500 high-flyers for a New Age-ish and policy-oriented version of tea and mutual sympathy.

After four busy years involved in what he calls the "grunt work of government", he has a keen sense of the realities of power and is clearly no remote and wealthy political grandees parachuted in to play a glittering representative role. All of which adds up to a refreshing sense of novelty from this Yankee at the court of St James.

"It may sound pontifical to suggest that any one ambassador can redefine his role," he says.

"But I think the president would have me define that role in a way that not only addresses the bilateral relations and the salient matters of diplomacy but also addresses global issues, the arts and letters, and those who innovate and those in need in our two countries."

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Basque party leadership in dock for 'ETA link'

Reuters in Madrid

THE leadership of Spain's radical Basque nationalist party, Herri Batasuna, goes on trial on Monday charged with collaborating with the violent separatist group ETA.

In one of the country's most controversial cases, the party's 23 leaders will appear before the supreme court in Madrid, accused of spreading propaganda for ETA and inciting "terrorism". If convicted, they face up to eight years in jail.

Herri Batasuna has always emphasised its independence from ETA, which has killed more than 800 people in a 23-year campaign of violence for Basque self-determination. But the party is commonly described as ETA's political wing and it refuses to condemn the terrorists' actions.

Herri Batasuna won 18 per cent of the vote in the Basque region of northern Spain in recent elections, but its support has dwindled since ETA kidnapped and murdered the Basque politician Miguel Angel Blanco in July.

The leaders are accused of using their electoral power to distribute a video on behalf of ETA during last year's general elections, and of issuing propaganda for ETA after the group shot dead a law professor and a prominent Basque lawyer in 1996.

Kohl gets helping hand from history

The tide has turned for the chancellor, Ian Traynor
in Bonn reports

CHANCELLOR Helmut Kohl celebrates seven years in power today, buoyed by an agreement on a tax cut to offer voters of national birth rate rising for the first time since 1990 and an opposition mired in despondency.

Mr Kohl, who described the unification of October 1990 as "history's precious gift" to Germany, is expected in Stuttgart today with the former United States president George Bush to mark the national holiday.

Fresh from the unexpectedly strong showing of his Christian Democrats in elections in the Social Democrat (SPD) stronghold of Hamburg last month and the collapse of the opposition vote, the chancellor will milk the festivities with an eye on next year's general election, when he will run for a record fifth term.

Despite unemployment levels unwitnessed since the 1930s, Mr Kohl bragged this week that an economic recovery was under way, predicting growth of 2.5 per cent this year and 3 per cent next

year, and boasted about the colossal effort put into unification, at a cost of more than \$37 billion in transfers to the east in the past seven years.

After months of infighting, Mr Kohl's fractious coalition of Christian Democrats and Liberals agreed yesterday to cut the "solidarity surcharge" levied to fund east German recovery by two percentage points next year. The opposition branded the move a cosmetic accounting trick.

Mr Kohl signalled this week that next September's election is his biggest priority. The immediate campaign focus will be the northern state of Lower Saxony where his most formidable SPD rival, Gerhard Schröder, the state's prime minister, is running for re-election next March.

The SPD has yet to decide whether to field Mr Schröder or the party leader, Oskar Lafontaine, in its next year's national contest. Mr Kohl would prefer to fight Mr Lafontaine, whom he beat in 1990. If the Kohl campaign in Lower Saxony whittles down support for Mr Schröder, his chances of gaining the candidacy could be wrecked.

But last month's debacle for the SPD in Hamburg, and the resignation of Henning Voscherau, the mayor tipped to be finance minister in an SPD government, have bolstered Mr Kohl after his most wretched period in power.

Mr Kohl's government came to power 15 years ago last Tuesday, and next week he chairs his 550th cabinet session. He is clearly relishing the prospect of his favourite activity — fighting elections.

But the upswing in his fortunes seems not so much from his own policies and actions as from the gaffes of the opposition. And both the tabloids and the serious papers are contrasting the mood of weariness and paralysis in Germany with the perceived dynamism and creativity of Tony Blair's Britain.

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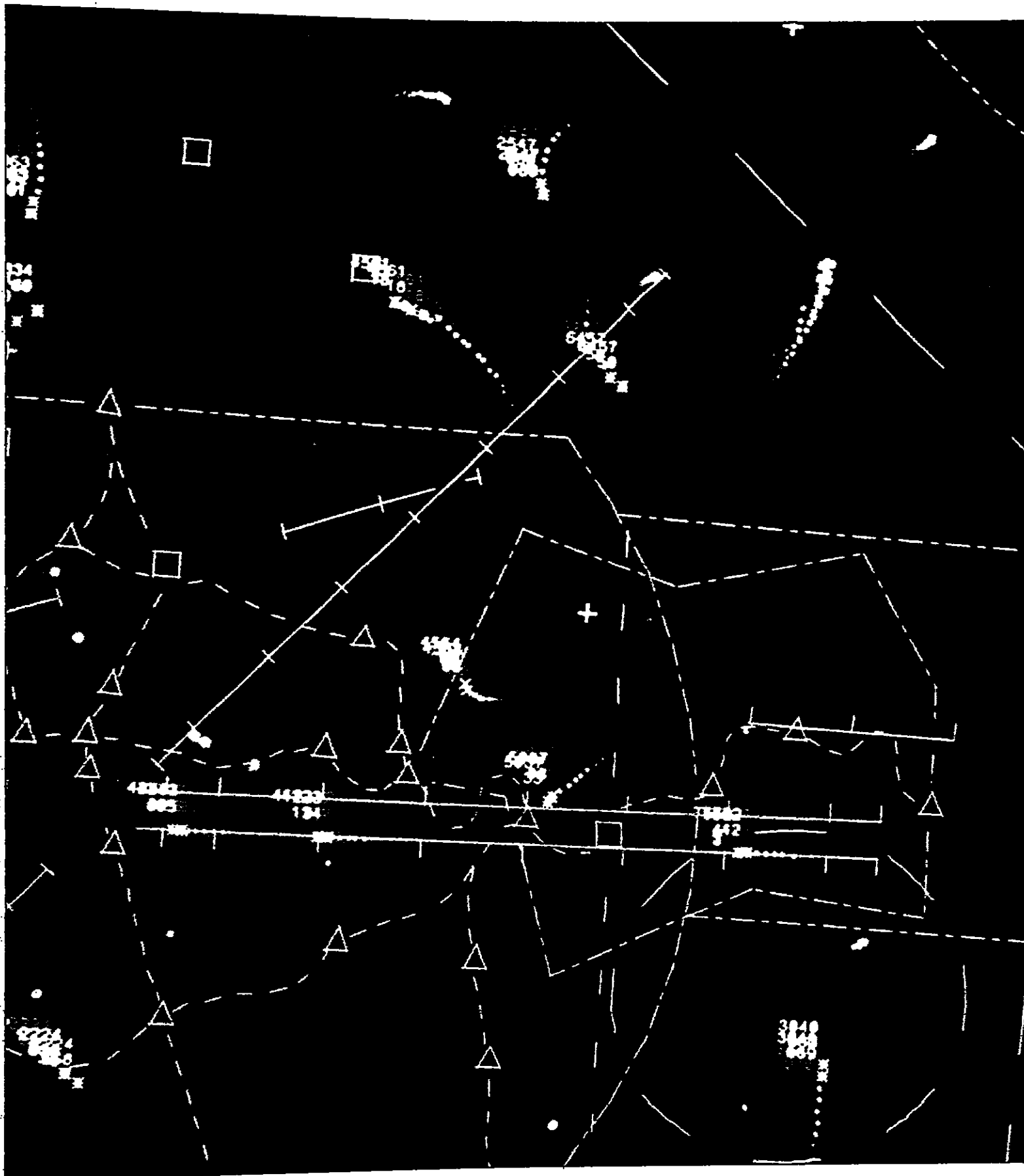
SAGA
INSURANCE SERVICES

Analysis Air misses

The peril in Britain's skies



The Prozac vision thing
13



Tuesday, 10.15pm. On your left is what your monitor shows as you seek to guide low-level air traffic into and out of Heathrow. The triangles are navigation beacons, the close parallel lines the aircraft approach corridor, and the smudgy numbers the aircraft you are responsible for — passenger flights, executive jets and even helicopters. Concentrate: one bad call by you could lead to disaster. Is it any wonder things go wrong?

By **Keith Harper**

A PART from the three emergencies, it was a normal Wednesday afternoon shift at London's air-traffic control centre this week. The early morning peak period of the 1,300 daily flights into Heathrow had passed, and the controllers were gearing themselves up for the evening rush, from 5 o'clock, when more than 80 aircraft land an hour. In two control rooms at West Drayton — one covering all approaches and landings to Heathrow, Gatwick and Stansted, the other overseeing all flights up to the Scottish border — staff sat watching their huge radar screens.

They observed the slow-moving dots to which were attached the call sign and destination of the aircraft under surveillance. The dots seemed to merge on aircraft approaching Heathrow, while overflying planes at 25,000 feet trailed little comets as they moved up the radar screen towards Manchester or out into the Atlantic. Marie, one of the watch controllers, explained that clear skies and no wind over Britain meant that hundreds of aircraft bound for America from Europe were taking the more direct "southerly" through Land's End instead of going through the north of Scotland. This accounted for a heavier concentration of controllers around the screens at the "west end" of the office.

And the three emergencies? These, it later transpired, included two incidents where planes were given priority landing at Heathrow, one because of a sick passenger and another which had to return with a sick baby on board. The third involved an error by either a pilot or an air-traffic controller. We cannot give any details yet — an official inquiry is being conducted.

By themselves, these emergencies at West Drayton — Britain's vital hub for policing 5,000 aircraft through UK airspace every 24 hours — do not

suggest that the skies above us are unsafe, or that the air-traffic control system is under excessive strain. Britain has one of the most heavily populated air corridors in the world and one of the safest. Yet there are increasing signs that the Civil Aviation Authority, which regulates the industry, is sufficiently worried to be demanding greater vigilance.

THE main reason for air-traffic control is air safety. Traffic has been increasing at 5 per cent a year, and is forecast to grow at the same rate until 2010. There will be well over 1.6 million commercial flights in British airspace this year, rising to more than two million by the millennium. In 1978 there were 675,000.

The distances that separate aircraft in controlled airspace are the subject of international agreement. Normally, the distances are five miles laterally and 1,000 feet vertically. But sometimes, on approach or take off, horizontal differences may be reduced.

The technical name for an air near miss is an "aircraft proximity incident" — known by investigators as an "airprox". National Air Traffic Services (NATS), the company that controls the skies for the Civil Aviation Authority, defines an airprox as "a situation in which, in the opinion of a pilot or a controller, the distance between aircraft, as well as their relative positions and speed, have been such that the safety of the aircraft involved was or may have been compromised". The definition is based on the assessment of the pilot or controller.

Airprox reports are filed separately by both the pilot and controller, and assessed by independent panels. Each incident is made public. But the first sign that all is not well with the system has come with an expression of disquiet by John Lamb, chairman of the controllers' panel.⁽¹⁾

In his most recent report, Lamb examined 36 incidents

from November 1996 to July 1997⁽²⁾. He found that half — "about twice the long-run average" — were "risk-bearing". Although two-thirds could be ascribed to controller error or omission, three were defined as an "A" category risk — the results of errors on the flight deck.

Safety officials at the CAA describe these findings as a "blip". And even though a further 40 incidents are still under investigation, they remain convinced, without offering any reason, that when next year's figures are produced, the numbers will have gone down to a "risk-bearing" average of around 20.

But some are becoming concerned. One of the "A" category risks⁽³⁾ reported by John Lamb occurred the same day as the Delhi mid-air collision last year, when more than 300 people were killed after two aircraft strayed into the same airspace. It prompted Sir Malcolm Field, the CAA's chairman, to ask for a review of aircraft-separation procedures in the UK.

One issue which the CAA's safety regulation group intends to examine is the risk of aircraft moving to the wrong level through inattention, misunderstanding and distraction. It has urged airlines⁽⁴⁾ to apply procedures that provide maximum protection against flying to the wrong altitude, or descending from one stack position to another while waiting to land. The CAA's safety watchdog is clearly unhappy that flight crews are ignoring instructions.

There are around 1,800 air-traffic controllers in the UK. They train for three years at a cost of £250,000. They earn up to £50,000 a year. Joe Magee, national officer of the NATS union, the Institution of Professional, Managers and Specialists, says that they work under enormous stress. They also face uncertainty: West Drayton is to be replaced by a state-of-the-art building at Swanwick,

Bournemouth, though technology problems mean that the new centre will not now open for at least two years. Magee also warns about complacency in dismissing the increase in incidents. NATS' own figures suggest a gradual increase in incidents reported by controllers from 17.3 a year between 1990 and 92 to 25.6 between 1994 and 96. "Some controllers are screwed up and occasionally get into conflict because of the pressure they are under," their customers, the pilots, are complacent. They believe that the apparent spate of air misses is due to media excitement. Evidence from both groups suggests that sometimes there is genuine misunderstanding between them. But pilots, too, are under pressure from airlines to bag early landing slots — that saves money and fuel.

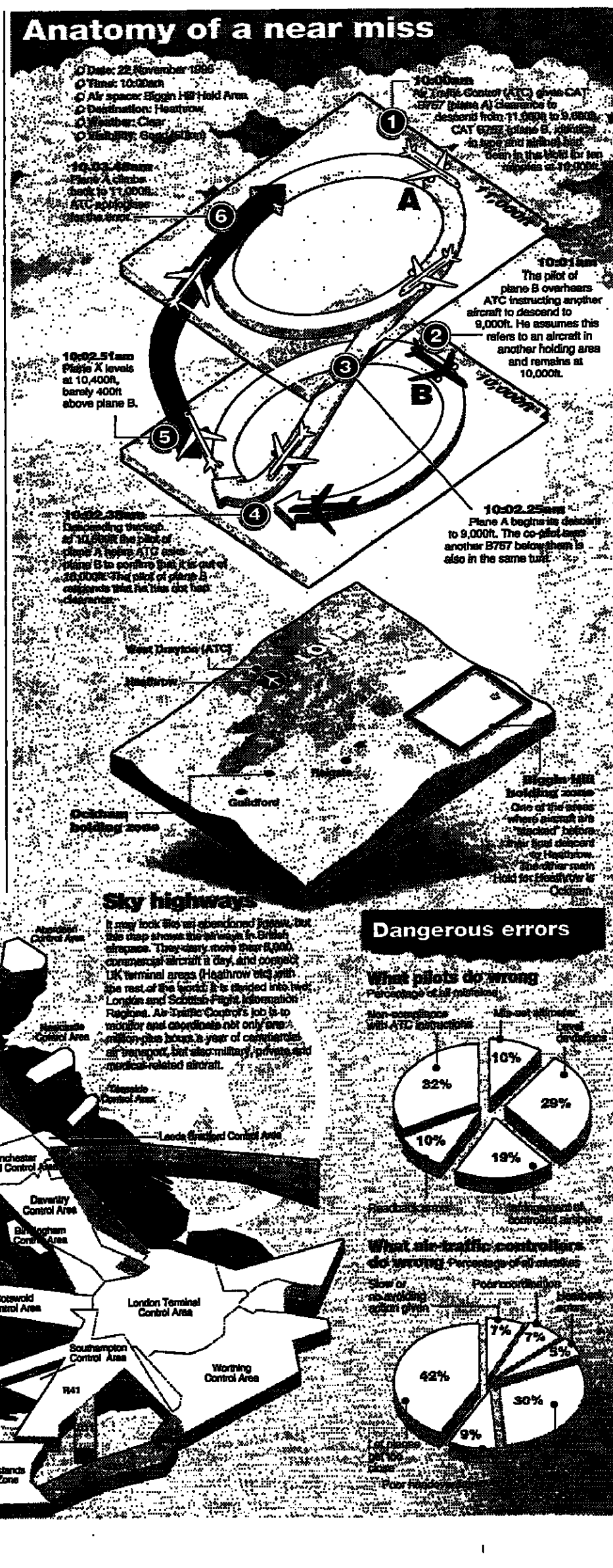
Steve Garner, the deputy manager at West Drayton, admits that the controller's job is becoming more pressurised, but says the fear of discipline has gone: 10 years ago, controllers would have sought to avoid reporting an incident.

The undoubted frailties of both pilot and controller make new technical aids vital. Commercial aircraft are being fitted with TCAS, a system which gives pilots advance warning of the close proximity of aircraft. But only 200 British aircraft are already equipped. It will be another three years before they are mandatory. A study is also under way to introduce a mix of digital data-linked communications and satellite-based systems.

Official forecasts from the US airline safety watchdog, the Federal Aviation Administration, suggest that air fatalities could increase five-fold in the next 30 years. This

makes it even more important that the industry gets it right.

(1) CAA's Joint Airprox Assessment Panel; **(2)** Aircraft Proximity Reports, Vol 12, CAA, Sept 97; **(3)** UK Airprox (Pilot-reported) Involving Commercial Air Transport Sep-Dec 96, CAA, Aug 97; **(4)** Letter of 1/10/97 from CAA Flight Operations Dept. Graphics: Paddy Allen, Steve Villiers. Graphic sources: as above; thanks to Chris Mason at CAA press office; Airprox (P) report 136/96. Research: Matt Keating; Guardian R&I Unit. Keith Harper is the Guardian's transport editor.



Diary

Matthew Norman

AMONG even the true believers, concern grows that the Prime Minister's self-perception as a biblical prophet is getting out of hand: it now appears that like Moses before him, Mr Tony Blair has an audacious plan to lead us, his people, into the promised land. The journey is more ambitious than a jaunt through the Red Sea, for New Britain is no mythical Camelot somewhere in the future; it is a tropical island belonging to Papua New Guinea. Brian Bethell fixes a page from the Foreign Office's Travel Advice, which suggests that Jack Straw will be frantic. "The law and order situation remains extremely poor," concludes the FO. "Attacks, vehicle hijacks and serious sexual assaults are frequent. Incidents of rioting, looting and shooting can occur without warning." For fear of sparking mass unrest, I won't mention the active volcano. Linguistic scholars suspect that Mr Blair's own preparations are far advanced — the pidgin English spoken by Papua New Guineans is notoriously free of verbs — but Downing Street is silent as to whether he will expect male settlers to sport the traditional Papuan penis sheath.

IN Brighton, research continues into the popularity of "pledge mugs" — crockery in which Labour colours with government vows printed on them. "Smaller class sizes," in scarlet, are going well, as are "more jobs for young people" (pink), but a gift-shop strap reveals "Tough on crime, tough on the causes of crime" (a fetching lime green) as top seller. Intriguingly, however, they are having trouble shifting "no rises in income taxes". There are no sales figures through yet for "save Clare Short" (crimson), or "Tony Banks for Ulster" (green with orange spots).

FOLLOWING last week's item about the acronyms doctors use to describe patients (GRO-LES, you will recall, is a Guardian Reader, Of Limited Intelligence, Famous Skirt), we learn of another charming piece of medical speak. Q/O Conversion is not an acronym, but the code used by hospital doctors for a geriatric death. The open mouth of the post-stroke nonagenarian is the "Q" — but when the tongue lolls out at a diagonal, in death, it becomes a capital "Q". How delightful.

IN his bid to become President of the European Commission, Neil Kinnock has employed an unlikely new speech writer. She is Jane Moore, "Woman Editor" of the Sun, whose column this week carries an observation on a group of men showing off their tiny mobile phones. "It was the first time," writes Jane, "I have ever heard a group of men arguing about whose was the smallest" — an excellent joke, and every bit as good as when Mr Kinnock told it in Brighton earlier this week.

FOR the first time, the Diary's monthly PC Brains award goes overseas. The winner is the Jerusalem traffic cop who summoned Yitzhak Rabin to court to explain the traffic offence he committed in May. Close students of Middle East history may already have the sniff of a defence — namely the fact that Mr Rabin was assassinated in Tel Aviv 18 months earlier, in November 1995. The police explanation, reports the Jewish Chronicle, concerns a traffic policeman who took down the passport number of a foreign tourist but recorded it mistakenly as an Israeli ID number. The ID number, by a calamity long odds, was the late PM. Since the police computer had not been informed of his death, off went the ticket. A merry hats off, and a happy Jewish New Year, to you PC Brains, whoever you may be.

RESPECTABILITY infects all rock stars in the end, but it has come surprisingly quickly for those "twisted first-starters" Freddie. The bad-boy boys of English pop have decided to align the sleeve of their latest offering as a mark of respect to Princess Diana, as it features a crashed car. The title of this time? *Smash My Bitch Up*.



The left is alive and well — and happy



Decca Aitkenhead

"AHHHH!" cried the cabinet minister. "Ah-hah!" It was one evening this week, and the minister had just arrived at a reception in high spirits. "Now then, I understand you need some therapy," he boomed. We had a little chuckle, as I conceded that something, certainly, was required to persuade me that his policies were indeed "the height of liberalism". He offered a choice of Jungian, Freudian and aversion ("find that always works best"), we chuckled politely again, and went on our ways.

Therapy was nothing more than a late-night throwaway line, and yet an interesting choice of phrase, none the less. When our paths crossed again later in the week, the matter of prisons arose. Did the minister not think that overcrowded prisons had problems rehabilitating inmates? No, no, not at

all — this was a suggestion based on sheer "prejudice". What counts in the prison service is nothing so mundane as numbers, he said, but the correct mental attitude. A positive mental attitude has been the overwhelming theme from the platform at Brighton all week. Positive thinking flooded through every speech, as ministers strove to find new ways in which to agree how very happy we now are. We are building, cried Chris Smith, an "assertive Britain", a "Britain with attitude". Brown told us that we've "heard the hope in people's voices, seen a glimpse of what Britain has in itself to become, hopeful and confident". Blair described the "liberated future" he saw on May 2. "Cynicism was defeated. Fear itself was defeated."

More interestingly, a positive mental attitude was also there as a political imperative. As the week went on, it became increasingly apparent that it is no less than the moral duty of new Britons to be happy. Blunkett praised his supporters on the basis that they "are optimistic. They are setting aside the 'can't do', the sneers, the cynics, the people always looking to why it can't happen". Blair says to critics, "This is not a sorry country, we are not a sorry people. It can be done." And Blunkett issued a personal

request to all journalists to spread good news. So the government may not be able to solve problems in the old-fashioned sense; what it will do instead is insist that we feel better about them. Problems are largely all in the mind, and new Labour is a kind of political Prozac. There is a great deal to be said for a positive mental attitude. Nearly two decades of Tory government have done little for people's sense of their own possibility, and if the partnership principle on which the whole Blairite project depends is to succeed, a stiff shot of optimism is required. Alienated teenagers are unlikely, for example, to work well for wary businessmen, without a stock of mutual self-belief. And an old tendency on the left for gloom is not entirely the product of Blair's Messianic imagination. But the big problem with Labour's Prozac Nation vision is that it denies the usefulness, even the legitimacy, of any sort of criticism at all.

The message to dissenters has moved on from pre-election days. Before Labour won, dissent was merely disloyal; an affront to the just cause of pursuing power. Now that Labour have won, dissent must necessarily be recast, this time as something akin to poisoning people's minds. If you put out, for example, that poor people are poor, you

are no better than the burglar robbing their last pennies. It becomes very difficult even to hint of people's difficulties without adding to them. Scepticism is by definition cynicism, and is, quite frankly, most unhelpful. Unhelpful, then, and also insulting to The People. As Hugo Young observed on this page yesterday, Blair has spent the week relentlessly invoking "the people". When he wasn't referring to them, he was reading out their letters, and Blunkett even had a little boy up on stage for us to see. "Ours was not a victory of politicians but of people," Blair declared, and with a winningly boyish line ("They really do say: 'Yes, Prime Minister!'"") he distanced himself from the ugly world of Westminster. Instead, he is the people's man.

ARRIVING at Brighton last Sunday, many of the delegates still dreading enough to describe themselves as old Labour voiced doubts about the week ahead. We'll hear a lot about the battle against social exclusion, observed one wryly, but political exclusion — now that's very new Labour. What few expected would be the great numbers who, despite being urged to think positive about new Labour, are going home feeling rather optimistic about the old left instead. The NEC victory of Liv-ingstone and other Campaign Group candidates on Monday certainly helped, but it was evident in fringe meetings all week that Labour's dissenting left is in fact in surprisingly fine form.

The Tribune rally, an event which has struggled on previous occasions, was addressed by Robin Cook and, for the first time since Sir Stafford Cripps, by the Chancellor. Before an impressive crowd, the Iron Chancellor transformed himself into Red Gordon,

thundering off a speech which featured "socialism" and "comrades" with distinctly off-message frequency. Left-wing meetings were conspicuously over-subscribed, and characterised by a cheerful humour very different from that hollow, haunted humour which echoes round the empty rooms of meetings attended almost exclusively by people selling newspapers. T-shirts reading "Good Old Labour" soon sold out. "Think the Unthinkable — Sack Frank Field" also proved encouragingly popular.

Dissent was also heard in less predictable quarters. Crime Concern, not noted for its militancy, heard Jack Straw enthuse about secure accommodation for young offenders. Vauxhall Motors attended as sponsors. Every one ate crudités. At the end, the chair, Nigel Whiskin, MBE, thanked the Home Secretary, but said he did just have to say he was disappointed not to hear more about crime prevention. We anticipated a brief reminder from Mr Whiskin about the importance of good locks. Instead, we got an impassioned account of a Luton sink estate which had been transformed not with curfews and sanctions but with community centres and facilities.

Tony Blair is quite right — we should feel happy. But not, perhaps, for the same reasons. His efforts to demonise dissent are slick but odious, and — just thinking positively, Tony — apparently unlikely to succeed. Happily, it appears that when Prozac's first serotonin rush wears off, as it will, and real politics are required, there are still plenty of people there to provide ideas.

Blair may or may not be pleased to hear that Tony Benn had a lovely conference. "I've never," he beamed, "been so optimistic."

proposals for majority votes, rather than the traditional unanimity. Amsterdam thus saw the moment when Germany ceased to be the conciliatory and federalising backbones of the European project, and became strikingly more pragmatic and querulous, if not qualifying outright for Euro-sceptic status.

Certainly the coming of the new Socialist government in Paris dismayed Chancellor Kohl, and cast real doubt over durability of the Franco-German axis, the traditional locomotive of the European project. Not by coincidence, this was also the moment when Germany's ever-open wallet began to close. Germany now accounts for two-thirds of the net contributions to the EU budget (thanks to Margaret Thatcher's labors, Britain accounts for about one-eighth). Stretched by the trillion-dollar burden of absorbing East Germany throughout this decade, Kohl became Chancellor Nein.

But if Germany became less conciliatory, Britain became less confrontational. At least in its rhetoric, and in some of its votes on institutional reform, the new Labour government said that it wanted to be part of the solution in Europe, rather than part of the problem. So for all its disappointments as a treaty to remodel and modernise the Union ready for the wave of new entrants, Amsterdam signalled a historic shift in the political character of Europe. Not all of the actors relish this. Kohl frets at the new constraints upon him. Britain remains less communitarian than Blair likes to sound, and France still wrestles with its own divided government.

Beyond the utter commitment to monetary union, nobody at all sure what this Europe is becoming, which all helps to explain that disappointing turnout to Queen Beatrix's signing party at her palace.

ate's principal role was to monitor our efforts. But now in the absence of anyone within the fragmented industry taking an overall safety view, it is left to the HSE to take the initiative. In reality this change has taken a complete and professional level of safety out of the industry. The rule book had evolved out of all the experience gained from 150 years of running railways, including lessons learned from every incident, every accident and every occasional disaster. It is a great sadness that even before the official inquiry into the Southall accident can be conducted, the multiplicity of organisations involved in the new railway are seeking to protect their position rather than help prevent another disaster.

Peter Rayner, chief operating manager of London Midland Region until 1992, is now a safety consultant

Labour's role on the catwalk of fashion



Bel Littlejohn

DID you happen to catch my speech yesterday? Did you? Did you really? Bless you. They showed most of it live on Sky, and there was a 10-second highlight on Newsnight. And I have it from all Campbell, lovely guy, that he's moving heavily in and earth (heaven and earth) what's the difference, now that Tony's here? to include it on the 90-minute videotape of Conference Highlights. "Do What You Wanna Do: New Labour Live", available from Monday for £12.99, inc p & p. "Don't feel you have to, Alastair," I said. "I mean, for God's sake, I don't want to steal Tony's thunder. It's the age of Giving, and I want to Give Tony all the space he can get, right?"

But Alastair assured me the video would still go big on Tony and Cherie. He showed me the provisional list of tracks on "Giving with Tony: Conference 97".

- 1) Reaction shots from Prime Minister Tony during opening address to delegates by Lord Mayor of Brighton.
- 2) Keynote address by Harriet Harman (off-camera). Reaction shots of concentration and approval from Prime Minister Tony.
- 3) Prime Minister Tony and wife Cherie greet specially-invited working-class delegates in colour-coordinated flat caps and braces on an informal basis in enclosed area outside the hall. "Good on Yer, Tony!" they chorus, to the well-loved tune of "Any Old Iron". "Don't do anything just for us, do it for the good of the country as a whole, mate!" (90 secs)
- 4) Close-up reaction shots of Prime Minister Tony listening hard to speeches by Ministers Blunkett, Straw, Cook and Dobson (off-camera).
- 5) Keynote address by the Rt Hon John Prescott (off-camera) is listened to by Prime Minister Tony.
- 6) Prime Minister Tony generously applauds keynote address by the Rt Hon John Prescott.
- 7) Prime Minister Tony sits in hard suite with sleeves rolled up, re-reading letters from children congratulating him on a job well done. In close-up, a tear trickles down his cheek.
- 8) Prime Minister Tony's Conference Address in full, plus standing ovation (5 mins).
- 9) Slow-motion replay of standing ovation with commentary (10 mins).
- 10) Other Conference High-

lights (90 secs). Among the "other conference highlights" could well be a snippet of my own speech which, as you know, followed on from Chris Smith's breathtaking tour-de-force (not included). I was there to inform delegates about the amazing success of London Fashion Week.

Of course, most of us in what you might call — forgive me — the inner circle of New Labour (not that there is such a thing, obviously we're all in this together, but in a funny sort of way some of us are more all in this together than others) have been racing between London and Brighton all week, struggling to give our best to these two great events.

MY OWN speech to New Labour stressed the need for hard choices in fashion. "Today, I want to change our attitudes, our policies, our plans, our overall shape. Tony is a modern man leading a modern country — and with modern creases."

"We in New Britain must become a model for the 21st Century. We must go for something altogether bolder, something that looks great not just on us, but on the community as a whole. We must think beacons, we must think red roses, we must think ourselves into the culture of caring. And, no — we must not fear change. We must become regular visitors to the changing room. And we must slip into something more giving. Yes, we should aim to become a more fashionable society. But it is fashion with a hard edge."

THE Conference delegates rose as one. All too often, the traditional Labour movement neglected to maintain strong links with the world of fashion. For instance, the first senior Labour politician to wear flares in public was Jim Callaghan, and that was as late as 1977, by which time they'd gone completely out of fashion. Aneurin Bevan, for all his oratorical prowess, notoriously failed to embrace the possibilities of cashmere. Personally, I'd love to see Tony — and, thanks, Tony, for a truly great Conference 97 — in lovely bold communitarian russets and warm, compassionate vermilion. And with Jimmy Knapp all in indigo with a scarlet throw, our stylish New Britain looks set to conquer the world.

£10 BUYS A CHAIN CUTTER

He's chained up through his sensitive nose and made to walk on red hot planks, whilst the back of his legs are hit in time to music. Onlookers taunt him and force him to dance. Why? Because they're teaching him to "dance" for tourists who pay to watch his agonising wails.

The World Society for the Protection of Animals (WSPA) rescues "dancing bears" and takes them to sanctuaries where they can be free of pain and suffering. But we can't carry out our life-saving work without the support of people like you. Your gift of just £10, or whatever you can afford, will help cut the chains of innocent animals. So please send your donation today. He's counting on you.

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WSPA

Martin Walker, in Amsterdam, believes the treaty signed yesterday heralds an era of uncertainty for the EU, with Germany no longer able to take the leading role

Sniffy about Europe

IN A delicate compromise between regal paganism and commercial values, the Treaty of Amsterdam, signed in the Burgers hall here yesterday in a ceremony which recalls the curious case of the dog in Sherlock Holmes which failed to bark in the night.

Here is a formal and sonorous treaty, signed 40 years after the European Community's founding ceremony in Rome, and five years after the Treaty of Maastricht. Once attested by all 15 member states, the document will be reverently taken to Rome to rest among these other two grand Euro-treaties in the solemn archives of the European project.

So where was everybody? Everybody who is anybody, that is. The Queen of the Netherlands was there, and her prime minister. The president of the European Commission, former Luxembourg premier Jacques Santer, was there, along with Jose Maria Gil-Robles, the president of the European parliament. Valiant and honourable men, no doubt, but not quite of the calibre of the absentees like Germany's Helmut Kohl, France's Jacques Chirac or Britain's Tony Blair.

This time Amsterdam was not even graced by the presence of Robin Cook. Britain's accession to the treaty was signed by the rather more junior minister for Europe, Douglas Henderson. But to be frank, what Brussels sees as the broadly disappointing outcome of the Amsterdam treaty negotiations last June may not deserve the stars.

Meeting in Corfu in 1994, the European Council defined the task of the Amsterdam summit clearly enough: "The institutional conditions for ensuring the proper functioning of the Union must be created at the 1996 Intergovernmental Conference, which for that reason must take place before accession negotiations begin." But there was



A. KRANZE

to be no reweighting of votes within the Council of Ministers and no reduction in the already unwieldy number of 20 Commissioners, some of them visibly under-employed. And the pattern now seems to be set that each of the new members will get their own

Commissioners too. There was some modest improvement in the powers of the parliament, but no real streamlining of the European institutions, and pitifully little extension of the much-vaulted plans for qualified majority votes. The reason for

that, however, was the really important change to emerge from Amsterdam. Germany, suddenly started acting like Britain used to. Because of domestic political pressure from the German provinces, Chancellor Helmut Kohl personally vetoed most of the

understandable structure. Let's be clear, the rule book hasn't changed since 1990 on the subject of the automatic warning system, but the railway has. It has been broken into myriad parts, all of which are capable of placing individual interpretations on the rules.

COMPARE the present situation with what happened just 10 years ago when I was the regional operations manager of the London Midland Region, and together with

leagues and the director of operations at the board headquarters, we were one safety system for the whole industry. In the past, none of us could change the rules without each other's full agreement. There was a dignified and formal exchange of views with Her Majesty's Inspecting Office of Railways. The railway inspector

train crash dated November 1989 which stated bluntly that "Commercial considerations should not be allowed to compromise safety". I am not surprised the HSE have felt the need to issue their new instruction. I am however, very saddened that this has been necessary.

Before the railway was broken up for privatisation there was one set of instructions for ensuring safe operation of trains. This was enshrined in the railway rule book and appendices, through a simple chain of command which everybody understood.

Lax rail safety rules revealed

Peter Rayner finds his fears confirmed after the Southall disaster

FOLLOWING last month's so far unexplained Southall train crash in which seven died, the Health and Safety Executive has now found it necessary to issue a strongly worded letter to all the privatised railway companies, the like of which I never saw in my 41 years working for the railway. The deputy chief rail inspector made public that the companies have been applying "overly liberal interpretation of rules in relation to the use of automatic warning systems". He ordered trains to be immediately taken out of service when faulty warning systems were discovered, rather than continue to fulfil any more of their day's schedule. This confirms

that, as I had previously discovered, the train involved in the fatal Southall crash was travelling at more than 110 mph, with hundreds of passengers on board, without its basic safety system in working order which would sound an alarm if it passed red signals.

The automatic warning system has been in operation for years — it is neither untried nor expensive. This revelation from the HSE is chilling — and must be seen in the context of a highly commercialised and competitive business environment. One needs only to consider this situation in relation to the recommendation No 50 of Sir Anthony Hadden's report into a previous

Professor Richard Schilling

Going to work on ill health

RICHARD Schilling, who has died aged 86, made a major contribution in the field of occupational health as a separate area of specialisation within the medical profession.

He was born in Kessingland, on the Suffolk coast, where his father was a general practitioner. After Epsom College he did his medical training at St Thomas's Hospital. He qualified as a doctor in 1934 and a year later, when his father died, he took over the Kessingland practice so that it could be sold as a going concern. Six months later, after the sale had taken place, he moved to junior posts at St Thomas's and Addenbrooke's Hospital, Cambridge. In 1937 he became an assistant industrial medical officer in Birmingham, so beginning a career in occupational medicine, as it came to be called, that was to span 60 years.

In 1939 he became a medical inspector of factories, but as a Territorial was called up at the outbreak of war, becoming a lieutenant in the Royal Army Medical Corps. He went to France and Belgium with a field ambulance. His unit, which was in the 42nd Division, was made up almost entirely of men from East Lancashire, an area with which he was to become particularly associated in civilian life. After Dunkirk in 1940 he became one of the 336,000 men evacuated to England.

On his return there was a message from the War Office for him to return to his job as a medical inspector of factories. The Medical Inspectorate was faced with an increasing incidence of industrial disease such as toxic jaundice, passing accidents and dermatitis. Medical supervision of munitions factories had added further to the work load.

In 1942 Schilling became secretary to the Medical Research Council's Industrial health research board. The

1940s were the hey day of occupational health research, with the setting up of Medical Research Council units in pneumoconiosis, toxicology and industrial medicine. University departments were opened in Manchester, Newcastle and Glasgow.

This whetted Schilling's appetite for an academic career and in 1946 he was awarded a Nuffield Foundation Fellowship which enabled him to take the diploma in public health at the London School of Hygiene and Tropical Medicine. During this time he participated in field studies for the newly-established department for research in industrial medicine at the London Hospital. There, under the directorship of Donald Hunter, he worked with Archie Cochrane, Richard Doll and Jerry Morris.

In 1947 he gave up his Nuffield Fellowship to join Professor Ronald Lane's Department of Occupational Health in Manchester. It was his first post in a university. He was assigned to create an occupational health service for the Simon Engineering Group. Lord Simon of Wythenshawe was the chairman of the University Council. As well as being a successful industrialist, Ernest Simon was a humanitarian who wanted to provide better health care for his workforce. This work in Manchester led Schilling to the conviction that occupational medicine should be included in the undergraduate curriculum.

In Manchester respiratory disease in cotton workers presented a challenging subject for research. Classically the symptoms of byssinosis are most severe at the start of the working week. There were opposing views with regard to the actual cause of the illness against the background of belief that new methods of dust control were adequate. Schilling undertook a field study which indicated a high prevalence of byssinosis and established that the disease was an important contributor to the high death rates in cotton workers. This study led to a series of international studies of textile workers. Although



Schilling... leading role in establishing occupational health as a separate discipline

much still remains to be learnt about the condition, the importance of making still further improvements in dust control has been a significant step forward. Schilling's other main contributions to occupational health research were epidemiological studies of work-related disease and devising health surveillance programmes and exposure limits for work-related disease.

In 1956 he was appointed director of the Rockefeller Unit of Occupational Health at the London School of Hygiene and Tropical Medicine. Endowed by the TUC, it became an institute in 1970 with a major commitment to teaching and the first to offer courses for master's degrees in occupational medicine and hygiene. He and his colleagues produced *Occupational Health Practice* (1973), which became a standard text for health professionals. When he retired from the

school in 1978, his institute had trained more than 400 students, many of whom came from the Third World. This academic centre of international standing perished in 1980, not through declining demand but lack of support from the university and the school's board of management, who were disenchanted by the institute's link with the trade union movement.

He had many papers published in the British Journal of Industrial Medicine, of which at one stage he was editor. This is the best evidence of his long and sustained dedication to research.

Richard Schilling was a tall and impressive man, who endeared himself to all those who worked with him. His knowledge of occupational medicine was encyclopaedic, but it was the time he always seemed to have to discuss any topic or problem which will cause him to live long in the memory of those who were privileged to work for him. He remained lucid with a rad-

ical bent and an implacable sense of humour until the end of his life. His penultimate task was to complete his book *A Challenging Life: Sixty Years in Occupational Health*, which is to be published shortly.

His conclusion, based on the outcome of studies in Finland, was that the United Kingdom should, without further delay, join those many other countries in the western world who have introduced a national occupational health service. His last act earlier this year was to draft a proposal for such a service for the consideration of the new government.

He leaves a wife, Heather, a son Christopher who is in occupational medicine, two daughters, six grandchildren (two in the medical profession) and a great-grandson.

Victor Bloom

Richard Selwyn Francis Schilling, professor of occupational health, born January 9, 1911; died September 30, 1997

Roger Wybot

Spycatcher with an address in Mayfair

ROGER Wybot entered de Gaulle's office at Carlton Gardens in London on November 4, 1942. For the previous 12 months he had adopted this name and had been in charge of counter-espionage for Free France. De Gaulle was sitting upright at his desk, motionless, like a waxwork figure. He spoke. "You've asked to see me. I give you five minutes."

Wybot replied: "Mon général, I need at least 20 minutes. If you can't give me that amount of time, then there's no point in my staying and I will go."

Wybot claimed he stayed for an hour and three-quarters and that no one else had stood up to de Gaulle in this way. He had a sorry tale to tell about the internal dissensions and difficulties in Wybot's organisation, the Gaullist intelligence unit, the Bureau Central de Renseignements et d'Action.

According to his story, he did not get satisfaction from the general and resigned to join the fighting forces of Free France, serving in Libya, Tunisia and Italy and taking part in the liberation of southern France. According to other accounts, after the interview de Gaulle dismissed him, considering him to be a crank.

Wybot, who became a legendary figure in intelligence work, has been compared to Allen Dulles and J. Edgar Hoover. Now that he has died, aged 84, it is remembered that his real name was Roger-Paul Warin. Educated at the Ecole Polytechnique, Warin served as a captain of artillery early in the second world war. After the armistice he was uncertain what he should do until recruited by Colonel Grosnard into his Centre d'Information, which supposedly existed to discover the secret opponents of Pétain's National Revolution, but which was sending information to London about Vichy. He was arrested by the Gestapo, escaped and made his way to London, setting up the bureau's new headquarters at 10 Duke Street in Mayfair, which was to become a notorious address.

The immediate problem was to pick out the true patriots from the French who had fled to the English coast. He had rallied to General de Gaulle's appeal. One famous example was a man calling himself Laroché, who had supposedly escaped from a German prison. Wybot spent a day questioning him and only when they were relaxing over coffee did Lar-

oché claim to have been at a particular place in France at a time when this was impossible. This led to a complete avowal of his intentions, revealing that he knew the names of certain members of the BCRA. When Wybot told his colleagues, they angrily went to find Laroché, and he tried to escape by jumping out of the third-floor window. This aroused the curiosity of a passing policeman. Wybot, in telling the story, always praised "le bobby imperturbable", but incidents such as this earned Duke Street a reputation as a centre of torture and killing.

Sometimes Free France had to deal with British and American intrigues coming from those who believed that de Gaulle was a would-be fascist dictator. When a certain Man-



Wybot... interrogator

rice Dufour joined the Free French in London in May 1942, British intelligence insisted that he should not be interrogated about his work in the French resistance. However, after Wybot spotted him as an impostor through his claim to be a lieutenant when he had no right to the rank, Dufour was disciplined by the French. He escaped and went to the British authorities, denouncing the activities of Duke Street. It was stated that two men had committed suicide there, after interrogation, and that a great many had been tortured.

Dufour brought an action against de Gaulle in the English courts. The general refused to attend and when the power of the English law was explained to him, with the example of how Edward VII, when Prince of Wales, had been forced to appear before a judge, de Gaulle made his famous reply: "I am not the Prince of Wales."

After the war Wybot became founder and director of the

French counter-intelligence service, the DST (Direction de Surveillance du Territoire). For 14 years ministers came and went, but Wybot remained, with his famous collection of files which contained information about everyone.

He carried on some of the rivalries that had been born in Duke Street and it was notorious that police intelligence was often a divided force, with the DST at odds with the Ministry of the Interior, the Préfecture de Police and military organisations.

It was a time when some feared a communist takeover, when the French war in Indo-China and growing tensions in North Africa created contradictory reactions, in addition to the traditional forms of corruption. In 1949 a fight in a Paris bus led to the discovery of a secret military document in an Indo-Chinese agent's briefcase. There had been a leak. But Wybot, commenting on the number of similar documents in circulation, claimed it was not so much a leak as a Niagara.

In July 1954, when Mendès France was prime minister, documents discovered which supposedly showed that the Communist Party knew what was happening in the National Defence Council. Wybot, who had to handle this attempt to discredit François Mitterrand, Mendès France's colleague, was accused of both being a communist and of blaming the communists for everything.

When de Gaulle returned to power in 1958 he moved Wybot away from the DST, probably because he thought that he had created a powerful state within the state, although it was rumoured that Wybot had placed listening devices in de Gaulle's private rooms at the Hôtel La Pérouse and that the general had discovered this. He occupied various posts as inspector-general in the police until his retirement in 1973.

Wybot went on to write plays, but above all he became a leading devotee and promoter of acupuncture, making many policemen undergo this treatment. Now that he was no longer Sherlock Holmes, it used to be said, he had become Dr Watson.

Douglas Johnson

Roger Wybot (Roger-Paul Warin), intelligence agent, born October 18, 1912; died September 28, 1997

Letter

Julian Spalding, director, *Art Gallery and Museum, Kelvin Grove, Glasgow*, writes: Jonathan Silver (obituary, September 26) made a remarkable contribution to art in Britain and, I think, the world — a contribution which will be more difficult to build on because his work was so easily truncated. His contribution was to art's place in people's lives and that, for me, is a contribution to art itself. What he realised, and it was something he just felt rather than thought through, was that looking at art and enjoying it was a natural activity, a normal everyday part of life.

Anyone who went to Salts Mill will know that the art there was not separate but everywhere, in the cafe, in the art shop, among the suits, along the corridors, as well as in magnificent spaces by itself. People going there had an encompassing, not a segmented experience. The feeling of the place was essentially generous and ambitious, welcoming and challenging, enjoyable and exciting. The car park always seemed full and people came back and back.

It was, in my view, the most genuinely innovative and, as far as public response was concerned, the best art gallery in England. Predictably enough it was ignored by the art press.

Of course, Jonathan had the advantage of showing the works of his "local" artist, David Hockney. Their relationship was very close and creative. And Hockney shared with Jonathan a totally non-elitist attitude to art. I was working with Jonathan on an idea of his to add Lowry to his pantheon. Who, Jonathan asked, had shown Lowry in a mill before? This project sadly had to be curtailed because of his illness.

Jonathan Silver showed us how we can take art out of the gallery and into the street, into people's lives again. He was more than just another Medic.

Bryan Woods

Soldier of compassion

BRYAN Woods, who has died aged 76, was a figure of stature in the world of charitable grant-making trusts. He was clerk to the trustees of the City Parochial Foundation from 1968 to 1986, a trust to benefit the poor of London. Before that he was for six years assistant clerk at the Goldsmith's Company in the City. Bryan Woods's career had two distinct halves: military (for which he was awarded an MBE) and philanthropic. He was a professional soldier until 1958 when a serious illness led him to resign his commission; he had reached the rank of major.

He was educated at Bradford and, following two generations of army doctors, he went to Sandhurst in 1939 at the age of 18. War brought a rapid commission, and with the Second Battalion of the East Lancashire Regiment he quickly saw action in Madagascar and then more substantially in Burma. A former commanding officer has described him as a brilliant officer who would have made at least a general if not a field marshal.

It was his qualities as an officer which were to be so transferable and vital to the charitable world. He had a first class brain, wrote lucid reports, was eminently sensible and produced practical solutions to difficult problems, never forgot anything or anyone and was at ease with all. Courtesy and great intelligence were his hallmarks.

For nearly 20 years Bryan Woods met with staff from hundreds of charities, large and small, who had applied for a grant from the City Parochial Foundation. I was one such. No one ever forgot the encounter. With great skill and good humour he exposed the weaknesses in an application, leaving one initially dis-



Woods... two careers

mayed and confused. No one liked having their ideas help the poor too rigorously dissected. But Woods's great strength was to help reshape and rethink the initial ideas so that a potentially much more successful proposal emerged; or visiting a building he saw imaginative solutions to a charity's apparently insoluble building problems. Bryan Woods was exceptionally adept in assessing what was likely to succeed and what not, without ever being ultra-cautious.

Although he did not suffer fools gladly he was a man of compassion, and the grants made by the trustees over the years reveal the clarity of his vision and his understanding of the human condition. His deep sense of a duty to help found an ideal outlet in the Foundation. As clerk he helped the City Parochial Foundation's income, based on property, increase ten-fold to £3.9m. His long-term vision and shrewd negotiating skills were contributory factors in that growth.

As his successor at the foundation in 1986, I inherited from him a Rolls-Royce ad-

ministrative system, an unrivalled tradition of report writing and a grant-making body of trustees with a real practical concern for the vulnerable and disadvantaged in London.

As someone born in Alexandria and who then went to many countries with the Army, it was not surprising that, after his family, his great passion was travel. On retirement he travelled widely visiting India, China, South East Asia, and USA, where the Grand Canyon by mule was a highlight. Recently he had been back to Burma where he had once been in the thick of the fighting.

All who knew him valued his loyal friendship, modesty and unfailing humour. He is survived by his wife, Anita, and sons, Simon and Timothy.

Tim Cook

Bryan Woods, soldier and clerk, born February 7, 1921; died September 22, 1997

Death Notices

GILL, Suddenly, on 20 September 1997, at home, David Gill dearly beloved husband of Patricia, father of Maryann and Judith, grandfather of Alexandra, Edward and William, brother of Anne, Requiem Mass at St. Dominic's Priory, Southampton Road, London NW9 on Thursday 4 October at 12 noon. Much loved and will be forever missed. Please no flowers. I distilled donations in his memory to the David Gill Memorial Fund for children with Special Needs c/o A. Franco & Son Ltd, 45 Lamb's Conduit Street, London WC1N 3LH. May his soul rest in eternal peace. ANNE.

REDGRAVE, Doreen Doreen (née Hamilton), on 20th September peacefully after a long illness. Most beloved mother of Joanna and Lulu and sister of Patrick. She was a phenomenal woman whose extraordinary bravery over the last seven years was an example to everyone. Funeral 11am Thursday 3rd October at St. Paul's Church, St. Paul's Church, Covent Garden, London WC2E 8BQ.

SCHILLING, Richard Selwyn Francis, 86, MBE, FRCS, on 30 September 97 aged 86 peacefully at home. Much loved husband of Heather, wonderful father, grandfather and great grandfather. Father, Funeral service 3 October 2.30pm at St. Peter's Church, De Beauvoir Road, London N1. Enquiries to Misses 071 228 3888. Family flowers only, donations in his memory to the Centre for Arthritis, Crowborough T18 7UD or St. Joseph's Hospice, Mares Street, London E8.

In Memoriam

PARKER, Tony, October 3rd 1905. He was our North, our South, our East and West. M. J. Parker. To place your announcement telephone 0171 733 4267 or fax 0171 733 4128 between 9am and 5pm Mon-Fri.

CATHAY PACIFIC

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Birthdays

Sir Stephen Brown, president of the Family Division, High Court, 78; Christopher Bruce, dancer and choreographer, 52; Niall Buggy, actor, 45; Chubby Checker, rock singer, 68; Sir Terence English, transplant surgeon,

master, St Catharine's College, Cambridge, 65; Prof Philippa Foot, philosopher, 77; Garry Herbert, rower, 28; Lord Knights, former chief constable, West Midlands, 77; Ray Lindwall, cricketer, 78; Ruggero Raimondi, operatic

bass, 56; Sir Sonny Ramphal QC, former Commonwealth secretary-general, 69; Tim Melville-Ross, director-general, Institute of Directors, 53; Steve Reich, composer, 61; Gore Vidal, author, 72; Judge Monique Viner, QC, 71.

WH Smith board attacked for dismissing £1bn offer • Chairman accused of breaking agreement



Child's play... Fresh from setting up the Daisy and Tom children's bookshop chain, Tim Waterstone says he can revive WH Smith's flagging high street stores PHOTOGRAPH: DAVID SILLITOE

Waterstone demands talks

Roger Cowe

TIM Waterstone yesterday demanded talks with WH Smith's board over the dismissal of his £1bn offer to buy the company. The founder of the Waterstone's book chain also hit out at the dismissive response to his proposals from the WH Smith board.

"I want to have a go at Smith's retail chain. I believe I have a creative vision for those shops," he said.

But, in response to his demands for talks, a WH Smith spokesman said: "We would always talk to people who have got serious proposals to make. But this plan involves debt we don't need, management we don't need and a

retail concept we don't want."

Mr Waterstone accused WH Smith chairman Jeremy Hardie of breaking an agreement reached on Tuesday to keep talks secret.

Mr Waterstone first spoke to Mr Hardie on Saturday concerning plans for a takeover he began making in June, when the high street newsagent's chief executive, Bill Cockburn, announced his resignation.

The two talked again on Tuesday, when Mr Waterstone claims the WH Smith chairman expressed interest in his proposals. But on Wednesday the company issued a statement that the plans were not in shareholders' interests as the price was too low and the company would be left with too much debt.

WH Smith said its new chief executive, Richard Handover, spoke to Mr Waterstone yesterday. This Mr Waterstone denies, expressing astonishment at the public rejection of his approach.

He would concentrate on books, stationery and magazines, selling of the group's interests in music and video. Richard Branson, already a minority shareholder, would be a possible buyer through

people who never go near Waterstone's — people who want popular fiction, hobby and children's books," Mr Waterstone said.

He promised that his plan for the store chain would boost sales growth from under 1 per cent to at least 4 per cent. That was the critical requirement for making his plan work. Disposals would help but were not essential to the plan, unlike in highly indebted 1980s takeovers which this approach has been likened to.

"I believe I have the imagination and creativity to do it. What I want to say is that I have a helluva good idea and who's got a better one? The only thing you have to believe is that I can achieve growth of 4 per cent," Mr Waterstone said.

He believes he could achieve those growth targets because greater "authority" in the three chosen product areas would attract more people into the stores, and they would spend more than at present.

"There should be authoritative, heavy-duty stocks. There is no need to worry about slow sellers. They are made up for by the fast movers. I want a good range of office and social stationery and a vast range of magazines. It should be the real high street newsagent."

But WH Smith pointed out that it had turned the tiny profits from the nascent Waterstone's chain which it bought, into the current, highly profitable outfit which produced £20 million profits last year.

We talk to people with serious ideas but this plan involves debt we don't need, management we don't need and a retail concept we don't want

Yesterday Mr Waterstone, who has developed the Daisy and Tom children's store since selling his bookshops to WH Smith, said he could revive the flagging fortunes of the group's high street stores.

his Virgin Our Price chain. Mr Waterstone would also sell the company's US interests.

"I want to do another Waterstone's. I want Smith's shops to be the Waterstone's of the middle market, for

The Internet is nigh for booksellers

Outlook

Lisa Buckingham and Celia Weston

IT IS almost two years since the price fixing Net Book Agreement bit the dust and changed the face of bookselling in Britain. The direct predictions of collapse on the high street have not happened. But job cuts and technological changes by the main retail players have yet to compensate for the loss of the price umbrella.

In addition to the selling power of supermarkets — it was the intervention of Asda with publishers such as Hodder Headline which put paid to the NBA — a new threat in the form of Internet booksellers has surfaced.

If anyone doubted the newfound competitive vibrancy of the UK book market they have only to look at the events of the past few weeks. Books Etc, a specialist London-based retailer founded in 1981, was going to float on the market but was snapped up at the last moment by Borders Group of the US, the world's second biggest bookseller.

Barney's & Noble, America's number one, which set the trend for drinking coffee while browsing through the Romantic Poets, has plans to open up in this country and Hammonds has launched franchise opportunities.

The revolution in bookselling could save the family bookshop. Hammonds, the 25-shop family chain, is offering book lovers the chance to own and manage their business and hopes it will expand by 50 shops in five years.

share for the supermarket groups but a fight back top-notch retailers such as WH Smith's Waterstones, which has opened a mega-store in Glasgow that rivals in size Foyles and Dillons in London but is complementing this with plans for smaller outlets in market towns.

Forecasts that the end of minimum prices would mean a reduction in the number of titles published have not been realised. There were more than 101,500 titles published in the UK last year — up from 68,000 five years earlier. Margins have been hit — even Rupert Murdoch's HarperCollins has been squeaking — but retailers, even one-man bands, seem to have survived.

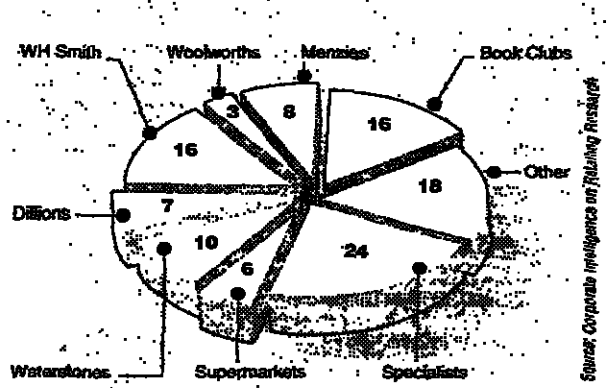
This is partly because the retailing business was so antiquated and had huge efficiency gains and cost savings to be made from the introduction of new electronic point of sale technology.

Bulk buying and ordering — from the use by independents of large wholesalers to mergers such as the combination of Waterstones and WH Smith which has increased Waterstones' profits 20-fold — have also revolutionised the cost base.

But just as the industry was beginning to think it might be safe to start thinking about even keels — and both WH Smith and Hodder have recently entered the school literacy debate in an effort to rekindle sales growth — the Internet has come charging into the market as an extra threat.

Tim Waterstone and Alan Giles, now managing director of Waterstones, are among those who think the Internet threat may have been overdone as it has in other fields. Virtual browsing may have its appeal, they claim, but will only snatch £1 in every £10 of sales.

Shelf life Book market share, %



Orders are orders for City this weekend

It's not just Saturday working that will come as a shock to stockbrokers finding themselves in something like an oriental bazaar — except with price tags. IAN KING offers a street-wise guide

TOMORROW, the City's dealing rooms — normally empty on Saturdays — will be buzzing with activity, as the Stock Exchange runs its biggest dress rehearsal yet for the introduction of order-driven trading and its associated "order book" on October 20.

But what is order-driven trading, and why is it being introduced? Here we explain.

What is the Order Book? This is the expression used to refer to order-driven trading, a new method of trading to be introduced on October 20. It will be the biggest shake-up the City has seen since "Big Bang" 11 years ago.

Why is it being introduced? The exchange says it is to ensure that London maintains its position as one of the

world's leading equity markets. The new system, it is hoped, will ensure that the London market is able to cope with the growing volume of shares now being traded.

What was wrong with the present system? The old system, known as SEAQ, is perceived as too slow in that it requires negotiations by phone when prices are set. It is seen as inappropriate for international investors, who now account for a greater share of business in the London equity market.

The exchange is increasingly concerned about competition from newer exchanges like Tradepoint, and this is its response.

How does the order book work? Prices are at present set by market-makers quoting the

rates at which they are prepared to buy or sell shares. Under the new system, orders will be placed on an electronic notice board outlining how many shares an individual wishes to buy or sell and at what price.

The computer then matches the various orders against each other and deals are executed automatically.

How is this system an improvement on the current system? The new system will be one in which prices represent genuine buying or selling interest and will therefore see shares traded at the most competitive prices available. This is expected to improve liquidity.

Under the present system, although market-makers must quote prices for shares, but if they want to put customers off they may quote un-

competitive prices or wide spreads between buying and selling prices.

Under the order book, there is said to be more choice for investors, as they will be able to choose how, when and at what price they trade. The introduction of order-driven trading in other countries — such as Switzerland — has generally led to increased volumes.

Are all shares going to be traded in this way? No. Initially, the order book will apply only to FTSE-100 stocks and the handful on the "reserve list" just outside the top 100. It is expected that FTSE Mid-250 stocks will move on to the new system in mid-1998.

Will it effect the way small investors buy or sell shares? The Stock Exchange says it is unlikely that small investors, if they continue to deal through their present brokers, should notice any difference. Indeed, unless the deal is big enough, it will not even be traded through the order book. However, it is clear

order-driven trading is going to be considerably cheaper than the present system. However, many small investors — especially those who like to keep their own share certificates — need longer than this, and so could have to pay more by using the old system.

How else might the new system penalise small investors? The new system will work only for trades which are settled on a five-day basis. However, many small investors — especially those who like to keep their own share certificates — need longer than this, and so could have to pay more by using the old system.

Is the City stuck with this new system? Unless it collapses because the computers are not up to handling the business, it looks that way. The Stock Exchange has invested around £90 million on the system, and after the fiasco of its failed Taurus paperless-dealing system, cannot afford another failure.

QPR and Sheffield United in the red

Ian King

LOFTUS Road — owner of Queens Park Rangers — and Sheffield United both announced full-year operating losses.

Sheffield United, which narrowly missed out on promotion to the Premier League last May, ran up pre-tax losses of £5.9 million, against a small loss the previous year by contrast, which United reversed in January.

However, chairman Michael McDonald insisted the company had now been completely restructured, although he admitted United's wage bill had soared as part of the drive for promotion.

Mr McDonald said United's new manager, former Liverpool star Nigel Spinkman, was currently reviewing first-team squad numbers to contain costs.

He said the club was looking forward to a big improvement in turnover during the current year.

Meanwhile, Loftus Road — which also owns Wasps rugby club — said it was looking into the possibility of moving to a new purpose-built stadium, although it said it was also considering expanding its current ground.

Announcing pre-tax losses of £7.1 million, swollen by £3.6 million in transfer spending, chairman Chris Wright said promotion for QPR would "transform" the group's fortunes.

Loftus Road shares fell 1/4p to 44 1/4p on the results, while Sheffield United shares ended down 2p at 56 1/2p.

News in brief

Saturday night phone special

CABLE & Wireless Communications is giving its 1.5 million residential phone customers the chance to make one long-distance phone call each for 50p — regardless of the length of the call — on every Saturday until the end of the year. The group has made the move to attract new customers. A spokesman said the promotion would be reviewed at the end of the year and might be continued. A similar scheme launched some time ago in New Zealand was still running, he added. — Nicholas Bonister

MAID confirms Knight move

MAID, the on-line information group run by Dan Wagner, confirmed plans to buy American rival Knight-Ridder Information for £261 million. The shares were suspended at 215p while a complex financing is completed, involving a £118 million placing of new stock, a £112 million issue of junk bonds in the US and a new banking facility. MAID will change its name to The Dialog Corporation — taking on Knight-Ridder's established "Dialog" on-line database brand. The acquisition brings a business which turned over £180 million last year and which counts half of the US Fortune 500 amongst its corporate clients. — Paul Murphy

Eight out of 10 pay late

MORE than eight out of 10 firms in Britain pay their bills late — and large companies are the worst offenders, according to a new survey. Fewer than 10 per cent of large companies pay up on time and less than 7 per cent of large manufacturers settle their bills within the terms agreed with suppliers, the study by business information service Dun & Bradstreet disclosed.

But small firms were not innocent, the survey of 98,000 companies discovered and they had the worst record on delaying payments the longest.

Ford union rejects offer

UNIONS representing Ford car workers yesterday rejected as "insulting" a two-year pay offer from the company and said it failed to address the growing pay gap with other workers in the industry. In the first of a series of pay meetings, Ford offered 5.5 per cent over two years.

Tony Woodley, chief car industry negotiator for the TGWU transport union, said: "It is a nil offer coupled with strings, because they want flexible working arrangements from us. The offer has been firmly rejected." The two sides meet again in a month. — Simon Beavis

Liffe record

LIFFE, the London International Financial Futures and Options Exchange, said yesterday that September was its busiest month ever, with 20.1 million futures and options traded — a 43 per cent improvement on September 1996. Liffe said the third week of September had set a weekly record, while September 16 was its third-busiest day ever, with 1.44 million contracts traded. The exchange also said its five-year German government bond contract, the Bobl, had an encouraging start, with the options contract picking up a 40 per cent share of the market in just under a fortnight. — Ian King

Underside

Dan Atkinson

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DORSET in January will be heaving with Special Branch officers, security experts and overcoat-wearing men talking into their sleeves. Once they declare the seaside resort of Bournemouth "clean", in will sweep Chancery Gordon Brown and other Labour Party big-wigs, heal to heel and toe to toe for the irrevocable and ever-clear Emotional and Marital Union of Treasury milk-milkmaid Ed Balls and his fiancée Yvette Cooper (the MP for Old Labour stronghold Castleford). So they will be staying in the West Country then? No chance, comrades: their £185,000 flat in Islington beckons them home.

WEDNESDAY'S bombshell bid from WorldCom hit BT Centre on the day the staff restaurant reopened after refurbishment. To tempt wage-slaves back into the cafeteria, a string quartet had been hired to wield its bows in the atrium. Its soothing tones, we understand, did nothing to calm the panic on the executive ninth floor. Our man in Newgate Street muttered something about "Rome", "fiddling" and "burning".

DEAR Colette Hill Associates, the PR outfit for "the management of reputation". Thanks for the change of address cards, we loved the rare Royal Mail stamps. The ones demanding 40p in unpaid postage.

NEWs from somewhere (concluded): Polish businessman-turned-politician Zbigniew Eysmont

brings a singular touch to the art of the soundbite. The British press was treated last week to a bravura display from the economic adviser and former minister. Some questions were re-interpreted as he answered an easier question that hadn't been

asked. When he did stick to the subject, answers were riddled with Biblical quotations and proverbs of dubious relevance. How will the coalition stick together? "Blessed are those who believe but do not see." What about the minority partner? "The dog barks, but the caravan moves on." On one subject, however, there was no beating about the bush. "To create capitalism in Poland we will have to be really brutal."

WHO said high technology is the preserve of overgrown schoolboys with seriously arrested development? September 30 saw Microsoft launch its Internet browser in San Francisco, the mayor of rival Netscape. After the bash, Microsoft left a giant letter (the browser's logo) on Netscape's front lawn. Be-mused Netscape said: "We're winning the battle. They real-

ise it and they're resorting to these fraternity [school boarding house] type tactics." Overgrown schoolboys? Make that student.

LOYDS Bank customers are not what they used to be in the days when Rumpole of the Bailey loomed out of the box as strings played and the black horse galloped in slow motion. The branch on Tottenham Court Road — situated opposite a charming theme pub, The Cockney, and close to students' quarters — has a recurring problem with its cash machine: the screen has gone fuzzy and customers have to guess which buttons to push to obtain their money. A high-tech fraud? The millennium bug come early? Nope: inquiries inside yielded: "We are sorry sir, but if you want the truth, people keep throwing up over the keypad." There's class.



Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

FinanceGuardian

Shades of Vegas for 2nd city

ALAS VEGAS-style theatre-restaurant and casino with an all-night ice rink are among attractions planned for Birmingham in a development including Britain's second largest building (right) writes Charlotte Denny.

From the 50th floor, there will be views to the Malvern Hills 40 miles away.

Unveiling plans yesterday for Arena Central, the developers, Hampton Trust, said it would provide more than a million square feet of space in a complex which includes a 200-metre tower, only 44 metres shorter than Canary Wharf.

The development will replace the Holiday Inn and the former Central TV studios on an eight-acre site. An existing 27-storey tower will stay but be dwarfed by the new building.

Arena Central will house the Birmingham Film Theatre, with dine-as-you-watch section, and the proposed National Asian Film Institute.

Artist's impression by Hayes Davidson/Richard Dantes



EU firms not ready for euro

Stephen Bates in Brussels and Geoff Weston in London

MOST European companies have made "appalling" preparations to convert their businesses in readiness for the single currency, the European Commission warned yesterday.

With just 15 months to go before the euro is launched and just over four years before euro coins and notes replace national currencies, Martin Bangemann, the industry commissioner, said EC surveys showed that only 20 per cent of companies are aware that there might be information technology impli-

cations in the switch. Just one company in 10 has a clear idea what it will need to do.

A separate survey by IBM Europe revealed that only 12 per cent of Europe's small and medium-sized enterprises (SMEs) have taken any action to prepare for the euro. Larger companies were in a better position, with 51 per cent having taken action.

But, according to Brussels, companies will have to confront the single currency and computer problems thrown up by the new millennium almost simultaneously.

With monetary union now likely to go ahead on January 1, 1999, the commission is finally gearing itself up to confront the practical problems it will cause.

Commission officials are now asking whether companies will be able to cope with the new currency during the Christmas and new year sales around the start of 2002 and whether it should be brought in slightly in advance or after the rush.

All participating countries will put the new currency into circulation on the same day.

Member states are being asked to produce their own national designs for the reverse sides of the coins and notes by the end of this year, well before the European Union decides next May which countries will qualify. As a result, 90 different coins and 105 different notes will come into circulation.

Mr Bangemann said that even the smallest companies will need computerisation if they are to survive the switch and that all will need to review their IT systems to handle transactions and accounting in the new currency.

Brussels is staggered by the potential scale of the undertaking: it is estimated that up to 90 per cent of small European enterprises still do not even have a fax machine.

"Preparation is still appallingly slight. This is both a problem and an opportunity: it can represent a huge competitive advantage... even my own grandmother has a fax machine these days," Mr Bangemann said.

Zygmunt Tyszkiewicz, secretary general of UNICE, the

confederation of European employers' federations, said: "Mr Bangemann is not wrong to sound a warning bell. We are concerned about the difficulty of reaching small companies, where people just do not have time to go to meetings."

"Medium and large companies are now much more aware that the single currency is going ahead and are getting better prepared, but we are still expecting people to wake up next May when the participating countries are announced and say 'Oh my God, what are we going to do?'"

Ian Peters, director general of the 100,000-strong British Chambers of Commerce, and a member of the Chancellor's

EMU advisory group, said last night that British business had been put on the back foot about a single currency by the previous government's reluctance to come to a view.

He said: "Larger businesses have been reluctant to invest in preparations while smaller firms have not quite got to grips with what it could mean."

His comments were echoed by Nick Goulding, head of policy for the Forum of Private Business, who said: "The introduction of notes, coins and changed accounting practices is at least five years away. It's unrealistic to expect smaller firms to plan that far ahead when many are having to concentrate on solving today's problems to survive."

Notebook

Time to act on company taxes



Edited by Mark Milner

SO, THE Bundesbank is becoming communitaire. According to one of the leading members of its ruling council, Ottmar Issing, "monetary policy already recognises our European responsibility".

Once the exchange rates of those signing up for the single currency are locked in May next year "the manoeuvring room for national monetary policy will become much narrower", Mr Issing told the International Herald Tribune.

That will, no doubt, bring a measure of relief to those who remember the currency crisis of 1992 when the markets finally realised European economies were out of step and that the Bundesbank was going to determine policy on the basis of the German domestic imperatives, rather than on wider grounds.

Such relief should be tempered. The Bundesbank's stance will still be heavily influenced by traditional preoccupations. Mr Issing himself noted there could be no back sliding in the fight against inflation. One of his colleagues, Edgar Meister, put it more succinctly: "the Bundesbank will remain 'vigilant' in terms of policy making in the run up to monetary union."

To an extent the debate about the Bundesbank's policies in the run-up to the single currency has been conducted in a vacuum. The Bundesbank has kept its Lombard and discount rates on

hold (at historically low levels) since early last year. With the German economy recovering (despite yesterday's erratic industrial production figures) the Bundesbank's collective mind will be mulling a rise in interest rates, with many in the financial markets pencilling in an increase this year.

At least some of those wishing to partition Germany in monetary union, and which will thus have to keep their interest rates in line with the Bundesbank's, will be hoping the hawks in Frankfurt will temper their enthusiasm for monetary tightening. They may be disappointed. The Bundesbank's interpretation of being communitaire is likely to mean it will seek to ensure the euro is as strong as the German mark.

Off the books

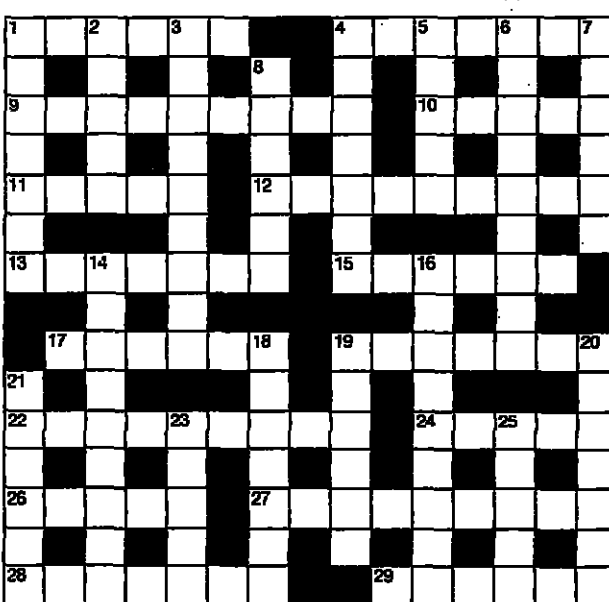
WH SMITH has been one of the disaster stories of recent high street history. But following the template of would-be chief executive Tim Waterstone is not the answer.

Mr Waterstone may have been the architect of one of the most satisfying book-buying experiences but under his leadership Waterstones was hardly the acme of profitability. His new business, Daisy & Tom, comprises just one shop. And his "vision" for WH Smith is to immerse it even more deeply in books, a market where sales growth is only a tad above static.

If Mr Waterstone has more promising ideas it is a shame he did not throw his name into the hat during Smith's search for a new chief executive. In the meantime, he has done his old company a favour by providing one alternative which should make WHS shareholders happy to stay where they are.

Guardian Crossword No 21,085

Set by Paul



Across

- 1 Cornish head of school to teach at playing truant (6)
- 4 Patients after a week may get difficult (7)
- 9 Shopkeeper spanking wise guy with book (8)
- 10 What Victoria did on her first date — lead perhaps? (5)
- 11 Belgian city spurns an idiot (5)
- 12 Outstanding, though nervous (5)
- 13 One of Oliver's wives got in the way, being cunning (7)
- 15 A Tibetan turn of phrase (6)
- 17 To produce an effect eating mushroom say yes (6)
- 19 Awfully rude letter sent back for constraint (7)
- 22 Fugitive businessman said "I left and ran off" (4,5)
- 24 Informal Oriental picked up by the ears (5)
- 26 Links end of country to the middle (5)
- 27 Crete — isle that may become a city (9)
- 28 A drop of salt water protects red beak (7)
- 29 It's an age, but it's for less than a second (6)

Down

- 1 Tuscany's arranged a hymn (7)
- 2 Look for water in window seals (5)
- 3 Drink is a hypochondriac's reported complaint? (8)
- 4 Creative people first to be written into star cast (7)
- 5 Male that's independent must be tidy (5)
- 6 Beasts run away when covered with insects (8)
- 7 Deceive by placing foreign article in The Dandy (7)
- 8 Take from over the Channel over the channel (6)
- 14 Something hot in Mexico is melting lead 26 (9)
- 16 In stereo, your old annual world tour (5-4)
- 18 Retalied cat and little fish (7)
- 19 Come off the line and ride abroad (6)
- 20 Back what may be backed with no front and back (7)
- 21 Money taken up by dripping tap (6)
- 23 The Choral Symphony is a bit of a pain in the neck (5)
- 25 Don't cancel play in London (5)

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Investors urge BT to keep MCI lines open

Doubt cast over WorldCom victory. Mark Tran in New York and Nicholas Bannister report

LEADING fund managers yesterday urged British Telecom to swallow its pride and rescue something from the MCI bid by negotiating with counter-bidder WorldCom.

They said BT had to increase its presence in the United States because the group was too small to go it alone. Some suggested that WorldCom's \$30 billion bid, some \$9 billion above BT's offer, was not a foregone conclusion.

A spokesman for M&G, one of the biggest independent fund managers, said: "If we get a stock market wobble in the US, everyone could be thinking how good BT's terms were. Its cash-and-shares offer could have a lot going for it."

People were being unreasonable about BT's management, he added.

Wall Street analysts said MCI, no longer seen as a high-growth business, could be a drag on WorldCom's share price. The hostile bidder might try to sell MCI's residential business and keep the higher-margin data transmission and corporate business.

WorldCom shares could be hit if the Federal Reserve

raised interest rates before the end of the year, as widely expected. It would be hard for the bull market to maintain momentum in the face of a tightening monetary policy.

A Scottish fund manager said BT's bid had been good long-term strategy but suggested the market would oppose any attempt to increase its offer.

"We would prefer the company to co-operate with WorldCom and use its 20 per cent stake in MCI to ensure that it got a significant role in the Concert deal (the BT/MCI venture catering for multinational companies)," he said.

If BT failed to expand in the US it would be left as "an ex-growth and yield utility". It was in WorldCom's interest to keep BT on board because Concert, 75 per cent owned by BT, had growth potential.

If BT is unable to do a deal with WorldCom or another large US telecom group such as Bell Atlantic or CTE, it will come under pressure from investors to return cash to shareholders through an offer of a special dividend or a share buy-back.

Alan Lyons, telecoms analyst at ABN Amro Hoare Govett, said: "Instead of being \$10 billion in debt, they are going to have \$3 billion of net cash and are going to have a substantial capacity, if they choose to do so, to support the share price with a redistribution."

BT shares closed 17 1/2 up at 459 1/2 p. WorldCom shares were nearly \$2 up at \$36.25 in early afternoon trading.

Business poised for the last ACT

Roger Gower

BUSINESS leaders yesterday welcomed the prospect that the Government might follow this year's changes to company taxation by abolishing advance corporation tax (ACT).

The move would help water companies and some other businesses, but it was met with warnings that the UK's attractiveness for foreign investment could be affected.

The Treasury dismissed as "speculation" reports that Gordon Brown, the Chancellor, aims to abolish ACT. But the move is widely seen as a natural extension of the Government's attempts to shake up the tax system.

The Confederation of British Industry said the current company tax regime was "unclear and unsatisfactory".

Chief economic adviser Kate Barker said: "Abolition of ACT offers a promising way to resolve this issue, provided that any changes introduced are part of a package of corporate tax measures which ensure that there are no significant losers, and protect smaller firms."

But the Institute of Chartered Accountants drew attention to the losses that would be incurred by foreign investors who can currently reclaim ACT payments.

"At a stroke the competitive position of the UK has been altered," said Anita Monteth, chairman of the institute's tax faculty.

The Chancellor caused outrage in the pensions industry in his first Budget when he removed the right of pension funds to claim from the Government the amount of ACT deducted from their dividend income. This had amounted to a 20 per cent bonus to the pension funds, effectively paid from the Exchequer.

He also attracted criticism from companies with a plan to end foreign income dividends — a special concession for those with a high proportion of foreign income.

Observers believe these moves left the ACT regime untenable, and have been expecting further changes to the company tax system.

ACT was introduced in 1973 to improve governments' tax revenues. Companies pay the tax when they distribute dividends, but most can claim the payment against their main corporate tax bills.

Abolishing ACT would leave most companies paying the same amount of tax but without other changes the Government would receive the tax payments later than now. To counter that timing problem the Chancellor is expected to introduce quarterly company tax payments.

Japanese economy teeters on edge of recession, survey says

Shares retreat while bonds prosper after Bank of Japan report, writes Julia Finch

FEARS that the Japanese economy is teetering on the brink of its first recession for 23 years were heightened yesterday as the country's most comprehensive and authoritative business survey revealed top executives expect conditions to deteriorate further in the coming months.

Nikkei's gloomy predictions came at the same time as worse-than-expected industrial production figures caused by car manufacturers slashing output in a bid to reduce their stockpiles of unsold cars.

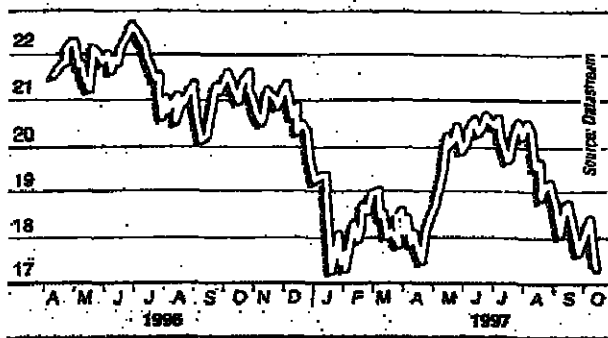
Consumer sales have slumped after a series of tax rises earlier this year designed to shrink Japan's fiscal deficit, which is now the second highest among the world's richest nations, after Italy. Some economists believe the sales downturn could lead to falling prices and interest rates remaining at their all-time low of 0.5 per cent until 1999.

Lower sales and profits, according to yesterday's tankan survey, also suggest companies will halt recruitment and increase the pace of company collapses — which at 1,300 a month is already the fastest rate of business failures recorded in over a decade. Unemployment, meanwhile, is expected to pass 4 per cent next year — its highest level since the second world war.

The vice president of Japan's Yamaiichi broking house was arrested yesterday in connection with a corporate racketeering scandal that has now engulfed all four of the country's largest stockbrokers. Ryuji Shirai is the sixth Yamaiichi executive to be arrested on suspicion of dealing with admitted extortionist Ryuchi Koike.

Nikkei in trouble

Stock average, price index



TOURIST RATES — BANK SELLS			
Australia 2.15	France 9.34	Italy 2.758	Singapore 2.42
Austria 19.59	Germany 2.7840	Malta 0.61	South Africa 7.32
Belgium 57.41	Greece 442.00	Netherlands 3.1230	Spain 235.50
Canada 2.169	Hong Kong 12.14	New Zealand 2.44	Sweden 11.99
Cyprus 0.82	India 55.36	Norway 11.20	Switzerland 2.289
Denmark 10.67	Ireland 1.0600	Portugal 283.00	Turkey 271.310
Finland 8.41	Saudi Arabia 5.95	Saudi Arabia 5.95	USA 1.5900

Supplied by NatWest Bank (excluding Indian rupee and Israeli shekel).

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